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TITLE 24—HOUSING AND HOUSING CREDIT

Chapter VIII—Office of Housing Expediter

[Controlled Housing Rent Reg., Amdt. 243]
[Controlled Rooms in Rooming Houses and Other Establishments Rent Reg., Amdt. 240]

PART 825—RENT REGULATIONS UNDER THE HOUSING AND RENT ACT OF 1947, AS AMENDED

GEORGIA AND OHIO

The Controlled Housing Rent Regulation (§§ 825.1 to 825.12) and the Rent Regulation for Controlled Rooms in Rooming Houses and Other Establishments (§§ 825.81 to 825.92) are amended in the following respects:

1. Schedule A, Item 70, is amended to describe the counties in the defense-rental area as follows:

DeKalb County, except the City of Decatur; Clayton and Fulton Counties, except the Cities of College Park, Fairburn, Forest Park, Eastpoint and Hapeville and the Town of Union City; and Cobb County, except the City of Marietta.

This decontrols the City of College Park in Clayton and Fulton Counties, Georgia, a portion of the Atlanta, Georgia, Defense-Rental Area, based on a resolution submitted in accordance with section 204 (j) (3) of the Housing and Rent Act of 1947, as amended.

2. Schedule A, Item 228, is amended to describe the counties in the defense-rental area as follows:

Cuyahoga County, except the Cities of Bedford and University Heights and the Villages of Bay, Bentleyville, Brecksville, Chagrin Falls, Gates Mills, Highland Heights, Hunting Valley, Independence, Lyndhurst, Moreland Hills, North Olmsted, North Royalton, Orange, Pepper Pike, Valley View, and West View; and in Lake County those parts of Kirtland Township included within the corporate limits of the Villages of Waite Hill and Willoughby, and Willoughby Township, except the Village of Wickliffe.

Lake County, other than Willoughby Township and those parts of Kirtland Township included within the corporate limits of the Villages of Waite Hill and Willoughby.

This decontrols the City of University Heights in Cuyahoga County, Ohio, a portion of the Cleveland, Ohio, Defense-Rental Area, based on a resolution submitted in accordance with section 204 (j) (3) of the Housing and Rent Act of 1947, as amended.

(Sec. 204, 61 Stat. 197, as amended; 50 U. S. C. App. Sup., 1894)

This amendment shall become effective May 3, 1950.

Issued this 2d day of May 1950.

TIGHE E. WOODS,
Housing Expediter.

[F. R. Doc. 50-3819; Filed, May 4, 1950; 8:48 a. m.]

TITLE 38—PENSIONS, BONUSES, AND VETERANS' RELIEF

Chapter I—Veterans' Administration

PART 6—UNITED STATES GOVERNMENT LIFE INSURANCE

PART 8—NATIONAL SERVICE LIFE INSURANCE EXAMINATIONS FOR INSURANCE

1. In Part 6, § 6.90 (b) is amended to read as follows:

§ 6.90 *Examinations for insurance purposes.* . . .

(b) Physical examinations required of applicants for insurance, under sections 310 and 311, or either, of the World War Veterans' Act, 1924, as amended, or for reinstatement of insurance, may be made free of charge to the applicant by a full-time or part-time salaried physician at a field station of the Veterans' Administration upon the request of the applicant, or upon the specific request of the underwriting service in central office in connection with an application for reinstatement of insurance when deemed necessary by that office in order properly to safeguard the interests of the Government. Physical examinations required of applicants for insurance, under sections 310 and 311, or either, of the World War Veterans' Act, 1924, as amended, or for reinstatement of insurance, may be made at applicant's own expense by a physician duly licensed

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for the practice of medicine by a State, Territory of the United States, or the District of Columbia, or by a duly licensed osteopathic physician who is a graduate of a recognized and approved college of osteopathy and who is listed in the current directory of the American Osteopathic Association. Such examination may be made by a physician or osteopath who is not related to the applicant by blood or marriage, associated with him in business, or pecuniarily interested in the issuance or reinstatement of the policy. Examinations made in a foreign country by a physician duly licensed for the practice of medicine and otherwise acceptable may be accepted if submitted through the American Consul, The Administrator of Veterans' Affairs may require such further medical examination or additional medical evidence as may be deemed necessary and proper to establish the physical and mental condition of the applicant at the time of the application.

(Sec. 5, 43 Stat. 608, as amended, sec. 2, 46 Stat. 1016, sec. 7, 48 Stat. 9; 38 U. S. C. 11a, 426, 707. Interprets or applies secs. 300, 301, 43 Stat. 624, as amended; 38 U. S. C. 511, 512)

2. In Part 8, § 8.64 is amended to read as follows:

§ 8.64 *Examination of applicants for insurance or reinstatement.* Where physical or mental examination is required of an applicant for National Service life insurance, or of an applicant for reinstatement of National Service life insurance, such examination may be made by a medical officer of the United States Army, Navy or Public Health Service, or may be made free of charge to him by a full-time or part-time salaried physician at a regional office or hospital of the Veterans' Administration. Such examination may also be made, at the applicant's own expense, by a physician duly licensed for the practice of medicine by a State, Territory of the United States, or the District of Columbia, or by a duly licensed osteopathic physician who is a graduate of a recognized and approved college of osteopathy and who is listed in the current directory of the American Osteopathic Association. Such examination may be made by a physician or osteopath who is not related to the applicant by blood or marriage, associated with him in business, or pecuniarily interested in the issuance or reinstatement of the policy. Examinations made in a foreign country by a physician duly licensed for the practice of medicine and otherwise acceptable may be accepted if submitted through the American Consul. The Administrator of Veterans' Affairs may require

such further medical examination or additional medical evidence as may be deemed necessary and proper to establish the physical and mental condition of the applicant at the time of the application.

(Sec. 608, 54 Stat. 1012, as amended; 38 U. S. C. 808. Interprets or applies sec. 602, 54 Stat. 1009, as amended; 38 U. S. C. and Sup. 802)

This regulation becomes effective May 5, 1950.

[SEAL]

O. W. CLARK,
Deputy Administrator.

[F. R. Doc. 50-3766; Filed, May 4, 1950;
8:45 a. m.]

PART 21—VOCATIONAL REHABILITATION AND EDUCATION

SUBPART C—TRAINING FACILITIES

1. In § 21.400, paragraphs (a) (2) and (b) are amended as follows:

§ 21.400 *Manager, regional office, authorized to approve institutions.* . . .

(a) *Inspection and accreditation.* The chief, vocational rehabilitation and education division, will certify in writing to the manager on the basis of adequate investigation that the institution is clearly qualified as to space, equipment, instructional material, and personnel to give the required course or courses and has agreed to cooperate fully with the Veterans' Administration by reporting trainees' attendance, performance, and progress in training.

(1) . . .

(2) If an educational institution is accredited by one of the following recognized national or regional educational accrediting associations, such accreditation may be accepted, if desired, in lieu of a personal inspection:

Accrediting Association of Bible Institutes and Bible Colleges (Collegiate Division).
American Association of Teachers' Colleges.
American Association of Theological Schools.
American Bar Association.
American Council on Pharmaceutical Education.
American Osteopathic Association.
Association of American Universities.
Council on Dental Education, American Dental Association.
Council on Education and Professional Guidance of the American Optometric Association, Inc.
Council on Medical Education and Hospitals, American Medical Association.
Engineers Council for Professional Development.
Middle States Association of Colleges and Secondary Schools.
National Association of Schools of Music.
National League of Nursing Education.
New England Association of Colleges and Secondary Schools.
North Central Association of Colleges and Secondary Schools.
Northwest Association of Secondary and Higher Schools.
Southern Association of Colleges and Secondary Schools.

(b) *Use of State approved schools for Part VII, Veterans Regulation 1 (a), as amended, (38 U. S. C. ch. 12), when the institution has not been refused approval*

for use under Public Law 346, 78th Congress, as amended, for Part VIII, Veterans Regulation 1 (a), as amended, trainees. If it is desired to place a disabled veteran in a school, the name of which is not on the list of institutions approved by the State approving agency for education and training for Part VIII, the manager will request a statement from the State approving agency indicating whether it has refused to approve the school. If the school has not been disapproved under Part VIII, the manager may proceed to approve it. If the State approving agency has disapproved a school for use for Part VIII trainees and despite this the manager wishes to use such institution for Part VII trainees, he will request authority of central office to do so. In so doing, the manager will explain why the institution is disapproved and why, in spite of its disapproval by the State approving agency, the institution should be approved by central office. Authority to approve an institution for use for Part VII trainees will not constitute approval for its use under Part VIII.

2. In § 21.413, paragraph (d) is amended to read as follows:

§ 21.413 *Policy governing approval of institutional on-farm courses.* . . .

(d) The term "farm or other agricultural establishment" shall mean any place on which the basic activity is the cultivation of the ground and the raising and harvesting of crops, including fruits, vegetables, pastures, etc., and which may include as an activity of greater or lesser economic importance the feeding, breeding, and management of livestock, including poultry. Only training which is given on farms as thus defined and conforming with the provisions of Public Law 377 shall be classified as institutional on-farm training. Within the meaning of the law, institutional on-farm training will not apply to training (1) in those establishments which are engaged primarily in the processing, distribution, or sale of agricultural products, or combinations thereof, such as dairy processing plants, grain elevators, packing plants, hatcheries, apiaries, stockyards, florist shops, etc., or (2) in single enterprise establishments engaged solely in breeding, raising, and sale of animals and poultry including but not restricted to chinchillas, minks, foxes, rabbits, guinea pigs, cats, dogs, pigeons, and pheasants. Establishments desiring to offer such training must qualify under Public Law 679, 79th Congress.

3. Section 21.468 is amended to read as follows:

§ 21.468 *Definition of nonprofit institutions.* An educational or training institution offering courses of vocational rehabilitation training under Part VII, Veterans Regulation 1 (a), as amended, (38 U. S. C. ch. 12), or education and training under Part VIII, Veterans Regulation 1 (a), as amended, for the purpose of applying the governing statutes and applicable regulations of the Veterans' Administration respecting the payment of tuition and other charges, will be regarded as a nonprofit institution when

it is determined by the Veterans' Administration to be organized and operated exclusively for religious, charitable, scientific, literary, or educational purposes, no part of the net earnings of which inures to the benefit of any private shareholder or individual.

4. In § 21.478, paragraph (a) (4) is amended as follows:

§ 21.478 *Request for adjusted tuition.* (a) . . .

(4) A certification by the president or other authorized official that such customary charges are insufficient or inadequate to permit the institution to furnish education and training to eligible veterans and that such instruction cannot be furnished to eligible veterans unless adjusted tuition is granted.

5. Section 21.484 is amended to read as follows:

§ 21.484 *Definition of profit institution or other than nonprofit institution.* An educational or training institution offering courses of vocational rehabilitation training under Part VII, Veterans Regulation 1 (a), as amended (38 U. S. C. ch. 12), or education and training under Part VIII, Veterans Regulation 1 (a), as amended, shall, for the purpose of applying the governing statutes and applicable regulations of the Veterans' Administration respecting the payment of tuition and other charges, be regarded as a profit institution or other than nonprofit institution if it is an institution which is not a nonprofit institution as defined in § 21.468.

6. In § 21.519, paragraph (c) (2) (1) is amended and a new paragraph (e) is added as follows:

§ 21.519 *Determination of maximum amount of payment for tuition, fees, books, supplies, and equipment where entitlement of a Part VIII, Veterans Regulation 1 (a), as amended (38 U. S. C. ch. 12), veteran is extended and where a Part VIII veteran has insufficient entitlement to complete a major portion of a semester, quarter, or unit period of education or training.* . . .

(c) *Notification to institution and veteran.* . . .

(2) In determining the amount the Veterans' Administration will pay to the institution, it will be necessary to prorate the total of the charges in accordance with the following:

(i) Where the total charges are not in excess of the rate of \$500 for a full-time course for an ordinary school year, the proration of the cost of the course will be determined by the ratio between the number of instructional days in the period of the veteran's entitlement and the number of instructional days in the course. For example, if a veteran has 6 weeks of entitlement and pursues a 16 week course costing \$160, and if there are 27 instructional days in the 6 weeks of entitlement and 72 instructional days in the 16 week course, the Veterans' Administration will pay 27/72 of \$160 or \$60. Thus the Veterans' Administration would pay \$60 which would be partly applied to tuition, partly to fees, and partly to books, supplies,

and equipment, or 60/160ths of the cost of each of the component parts. If the \$160 consisted of \$100 for tuition, \$20 for fees, and \$40 for books, etc., the Veterans' Administration would pay 60/160ths (37½ percent) on account of each, or \$37.50 for tuition, \$7.50 for fees, and \$15.00 for books, etc. Arrangements for the \$100 balance will then be a matter between the individual veteran and the institution in which he is enrolled. The foregoing will not be affected by the provisions of § 21.517 (a) (2).

(e) Amount payable where entitlement extends beyond one term but is insufficient for ordinary school year. In the case where the veteran is enrolled under Public Law 346, 78th Congress, as amended, by the educational institution for an ordinary school year and the veteran has sufficient entitlement to extend beyond one semester, or one or more quarters or terms within the ordinary school year, but has insufficient entitlement for all semesters, quarters, or terms in the ordinary school year, payment of charges for the full semester, quarter, or term for which sufficient entitlement is available will be made as provided in § 21.505 (a). The charges for the semester, quarter, or term in which the veteran's entitlement expires will be prorated in accordance with paragraph (c) (2) (i) of this section.

7. In § 21.530, paragraphs (a) (1), (2), (3) and (b) are amended, a new paragraph (c) is added, and former paragraphs (c) and (d) are redesignated (d) and (e) respectively.

§ 21.530 Determination of fair and reasonable compensation—(a) Nonprofit institutions. * * *

(1) Submission of financial statements. The determination of fair and reasonable compensation by the manager will require the submission by the nonprofit educational institution of a detailed, certified financial statement on VA Form 7-1969, Statement of Costs—Nonprofit Institution. The entries by the educational institution on this form must be consistent with the records of the institution and will include the actual cost experience of a minimum period of 12 months unless prior authorization is given by the regional office for a lesser period. Such cost data will be for the most recent actual cost experience of the institution for the specific course involved. In the case of new courses, estimated costs may be submitted if actual experience is not available. The procedures for making determinations of allowable cost items should be clearly understood before cost statements are prepared by the educational institution, since the submission of insufficient or improper data or information may result in delays, duplication of work, and unnecessary expense. Detailed financial data will consist of the following:

(i) Cost data on the items of expense which will be used in the determination as shown on page 1 of VA Form 7-1969, and detailed supporting schedules further described below.

(ii) The total income received or due from the Veterans' Administration as

payment for veteran training in each course during the period covered by the cost data and a separate statement of income received or due from other sources for each course during the period covered by the cost data, such as tuition from nonveterans. (Use schedule K, item 11, VA Form 7-1969.)

(iii) The number of student days for which the institution is entitled to be paid in the period covered by the cost data and the number of clock-hours or credit hours of instruction which were provided during such period. The number of students, veteran and nonveteran, enrolled in the institution in each course during the period covered by the cost data. This information will be provided on page 2 of VA Form 7-1969, "Analysis of enrollment".

(iv) The basis or bases used in making allocations of cost for each course involved.

(2) Statement of cost data required. Where an educational institution desires to negotiate a rate for courses of instruction, the following parts of VA Form 7-1969 are required on the specific form prescribed for each individual course, except as provided below for commonly related courses:

Certification—Page 1.

Statement of costs—Page 1.

Analysis of enrollment—Page 2.

Where an educational institution provides more than one course and such courses are commonly considered as related and the institution desires to negotiate one rate which will be applicable for instruction in all such related courses, only one set of forms will be required in the three parts mentioned above. In addition to the prescribed parts as above, it is also required that each item of cost on page 1, "Statement of costs," will be supported by detailed data on supporting schedules A through K on VA Form 7-1969. However, the use of the specific schedules A through K is optional on the part of the educational institution: *Provided*, That if such supporting schedules A through K are not used, the educational institution will provide optional equivalent schedules which provide supporting details in similar form to that of schedules A through K. The specified Veterans' Administration schedules or optional schedules are necessary to provide complete information on the cost data. Subschedules may also be used when necessary for additional space or clarity though they should be properly related to the schedules concerned. It is necessary that generally accepted accounting principles be used in determining proper amounts which may be allowed under the various statements and supporting schedules in accordance with Veterans' Administration regulations. The columns designated "VA use" on VA Form 7-1969 will not be used by the educational institution but will be used by the Veterans' Administration upon making a determination of allowable amounts for the fair and reasonable compensation. The determination of allowable amounts on the summary sheet, Statement of Costs, and supporting schedules will be made as follows:

(i) Actual cost of teaching and related personnel at reasonable salaries. The actual cost of salaries at reasonable rates will be allowed for teaching personnel and related personnel which will include personnel essential to the teaching functions, such as, laboratory supply room attendants and clerical personnel assisting teachers in the preparation of instructional material and records. The salaries of personnel serving both in administrative and teaching functions will be prorated accordingly. The activities of persons related to the teaching functions whose duties do not include actual instruction to students in classrooms and laboratories shall be explained and the basis of allocation to teaching costs clearly indicated. The total cost shown for teaching personnel, item 1, page 1 on VA Form 7-1969, will be supported by schedule A (or optional equivalent schedule) which will list the name, title, annual salary rate, hours per week of instruction, the proration basis of allocating the proportion of the teaching salary to the course, and the amount allocated. For teachers who are not employed for the full period of the course, the beginning and ending dates of employment will be shown. Salaries may be allocated to a particular course on the basis of the proportion that the number of hours per week, either credit- or clock-hours, devoted to the particular course bears to the total credit- or clock-hour load of the individual. Social security taxes and retirement insurance, if paid, may be included as part of the salary expense. In computing fair and reasonable compensation, there shall be excluded from the costs all salaries paid from Federal appropriations actually received by the institution for teaching costs such as are authorized under the Smith-Hughes and George-Deen Acts, and the certification of the appropriate official of the institution on the cost data must include a statement that no part of the salaries or other expenses is included which were or are to be paid from such Federal funds.

(ii) Consumable instructional supplies. This item will include the cost of instructional supplies and teaching aids which are actually consumed during the process of instruction determined in accordance with § 21.532. Supporting detail for item 2 on page 1, VA Form 7-1969, will be provided on schedule B or an optional equivalent schedule. Actual cost must be shown, and there shall be deducted therefrom all proceeds of sales of waste and other products. Where the institution lists all consumable instructional supplies as expense items on schedule B (or optional equivalent schedule) including the cost of items which are salvageable or result in other products, the amounts for which the Veterans' Administration may not pay in accordance with § 21.532 will be deducted on schedule B.

(iii) Depreciation on buildings and equipment. Nonprofit institutions which are not tax-supported may be allowed depreciation at a rate not in excess of 4 percent on the original cost of the buildings used for instruction. If the nonprofit institution does not depreciate equipment for income tax purposes, up

to 10 percent per year on the original cost of the equipment necessary for instruction may be accepted in lieu of Bureau of Internal Revenue rates. Depreciation will be allowed on such items as classroom chairs, desks, lathes, large tools, testing machines, and similar equipment used for instructional purposes. Where the items of capital equipment individually are of small value, it is preferable that such items be grouped together, though this will apply only to those items of a similar nature and items valued individually at \$50 or less. For example, 300 miscellaneous classroom chairs whose value varies from \$5 to \$10 each need not be itemized showing individual values, but the total value of all such chairs would be shown as a 1 line item; thus, if the actual total value of such chairs were \$2,000, it would be shown as 300 classroom chairs, value—\$2,000. Depreciation on equipment used for administrative purposes shall be listed in the schedule of administrative expenses and will not be listed in the items for instructional equipment. (Item 3—schedule C or optional equivalent schedule.) Notwithstanding the foregoing, where substantial sums are involved in the listing of any item or groups of items and it appears that further information is desirable, the Veterans' Administration may require such additional data which is considered necessary for the determination of reasonable depreciation allowances.

(iv) *Rent.* Reasonable cost of space rented will be allowed for nonprofit institutions which use nonpublicly owned facilities where instruction is conducted in space other than that owned by the institution. Only the actual cost of rent for space used for instructional purposes will be considered. Such cost may be allocated to a particular course on the basis of the time the classrooms are used for the course in relation to the full-time use of such classrooms. (Item 4—schedule D or optional equivalent schedule.)

(v) *Heat, light, power, water, janitor service, and building maintenance.* Allowable costs will include the proper prorated portion of heat, light, power, water, janitor service and building maintenance, and each cost must be set forth in detail and fully itemized. If costs cannot be directly charged to the space used, they may be allocated on the basis of square feet for time used on the basis of student hours or on another acceptable basis. (Item 5—schedule E or optional equivalent schedule.)

(vi) *Taxes and insurance.* Allowable costs may include property taxes, school taxes, and other similar taxes where applicable, fire insurance, compensation insurance, public liability insurance on personnel and property used for instruction. Income taxes and personal life insurance will not be included as authorized expenses. (Item 6—schedule F or optional equivalent schedule.)

(vii) *Allowance for administration and supervision.* An allowance to cover the cost of supervisory, administrative, and clerical personnel, and the cost of consumable office supplies and other expenses required for administrative and supervisory offices may be made, includ-

ing, where applicable, the related expenses of the State agency responsible for conducting the course. An amount not in excess of 5 percent of the cost of items in subdivisions (i), (ii), (v), and (vi) of this subparagraph (Items 1, 2, 5, and 6 on VA Form 7-1969) may be included to cover those costs without detailed justification, and in such event schedule G will reflect the appropriate calculation without supporting details. However, if the institution requests more than 5 percent allowance for administration and supervision, the educational institution will provide complete details in schedule G. The manager is authorized to include in the fair and reasonable cost such amount in excess of 5 percent as may be justified as reasonable and necessary to conduct a satisfactory program: *Provided*, That in no case will administrative and supervisory cost in excess of 15 percent of items in subdivisions (i), (ii), (v), and (vi) of this subparagraph be included in the fair and reasonable justification except on prior approval of the special assistant to the director, training facilities service, for the appropriate area concerned. (Item 7—schedule G or optional equivalent schedule.)

(viii) *Advertising expense.* Advertising expense will be calculated in accordance with the procedures set forth in paragraph (b) (2) (viii) of this section not to exceed the limitations prescribed therein: *Provided*, That for the purpose of this subdivision the reference in paragraph (b) (2) (viii) of this section to profit institutions shall be considered as nonprofit institutions. (Item 8—schedule H or optional equivalent schedule.)

(ix) *Travel expenses for instructors.* Such expense will be limited to mileage for use of personal cars at a rate not to exceed the established mileage rate customarily paid by the institution or provided by State law or regulation but not more than 7 cents per mile. The allowance of travel expense for instructors will be limited to courses requiring itinerant instructors, and the mileage will be limited to travel actually required to be performed by the itinerant instructor in connection with the training program. (Item 9—schedule I or optional equivalent schedule.)

(x) *Textbooks.* This item will include required textbooks, etc., where such items are customarily furnished to all students at no additional charge to the student and the cost thereof is included in the monthly tuition rate. If separate charges are customarily made by the institution to all students for text and other books, no cost will be shown for this item, but provision will be made in the contract to pay for such required text and other books at prices customarily charged to other students or, in the event there are no nonveteran students, at cost to the institution in accordance with § 21.739 (e) (6). (Item 10—schedule J or optional equivalent schedule.)

(3) *Deduction of income received.* A schedule of income received by each nonprofit institution will be provided on schedule K (or optional equivalent schedule) as supporting detail for item 11, page 1, VA Form 7-1969. Tuition

received from nonveterans and veterans will be shown. In addition, all other receipts from fees or for services rendered will be provided with the description of each item. The total income consisting of tuition and other receipts as above will be shown on item 11. Income which results from sales of waste and other products will be deducted on schedule B (or optional equivalent) from the cost of consumable instructional supplies and, therefore, will not be shown on the schedule of income as above.

(b) *Other than nonprofit institutions.* Fair and reasonable compensation for schools operated for profit will not exceed the actual or, in new courses, estimated costs to the institution for providing the instruction plus an allowance for profit as indicated in this paragraph.

(1) *Submission of financial statements.* The determination of fair and reasonable compensation by the manager will require the submission by profit educational institutions of a detailed certified financial statement on VA Form 7-1968, statement of costs—profit institution. The entries by the educational institution on this form must be consistent with the records of the institution and will include the actual cost experience of a minimum period of 12 months unless prior authorization is given by the regional office for a lesser period. Such cost data will be for the most recent actual cost experience of the institution for the specific course involved. In the case of new courses, estimated costs may be submitted if actual experience is not available. The procedures for making determinations of allowable cost items should be clearly understood before cost statements are prepared by the educational institution since the submission of insufficient or improper data or information may result in delays, duplication of work, and unnecessary expense. Detailed financial data will consist of the following:

(i) Cost data on the items of expense which will be used in the determination as shown on page 1 of VA Form 7-1968 and detailed supporting schedules as listed in the summary sheet and further described below.

(ii) The total income received or due from the Veterans' Administration as payment for veteran training in each course during the period covered by the cost data and a separate statement of income received or due from other sources for each course during the period covered by the cost data, such as tuition from nonveterans. (Use Schedule I, item 10, VA Form 7-1968.)

(iii) The number of student days for which the institution is entitled to be paid in the period covered by the cost data and the number of clock-hours or credit-hours of instruction which were provided during such period. The number of students, veteran and nonveteran, enrolled in the institution in each course during the period covered by the cost data. This information will be provided on page 2, VA Form 7-1968, "Analysis of enrollment."

(iv) The basis or bases used in making allocations of cost for each course involved.

(2) *Statement of cost data required.* Where an educational institution desires to negotiate a rate for courses of instruction, the following parts of VA Form 7-1968 are required on the specific form prescribed for each individual course, except as provided below for commonly related courses:

- Certification—Page 1.
- Statement of cost—Page 1.
- Analysis of enrollment—Page 2.

Where an educational institution provides more than one course and such courses are commonly considered as related and the institution desires to negotiate one rate which will be applicable for instruction in all such related courses, only one set of forms will be required in the three parts mentioned above. In addition to the prescribed parts as above, it is also required that each item of cost on page 1, "Statement of costs," will be supported by detailed data on supporting schedules A through I on VA Form 7-1968. However, the use of these specific schedules is optional on the part of the educational institution: *Provided*, That if such supporting schedules A through I are not used, the educational institution will provide optional equivalent schedules which provide supporting details in similar form to that of schedules A through I. The specified Veterans' Administration schedules or optional schedules are necessary to provide complete information on the cost data. Subschedules may also be used when necessary for additional space or clarity, though they should be properly related to the schedules concerned. It is necessary that generally accepted accounting principles be used in determining proper amounts which may be allowed under the various statements and supporting schedules in accordance with Veterans' Administration regulations. The columns designated "VA use" on VA Form 7-1968 will not be used by the educational institution but will be used by the Veterans' Administration upon making a determination of allowable amounts for the fair and reasonable compensation. The determination of allowable amounts on the summary sheet, statement of costs, and supporting schedules will be made as follows:

(i) *Actual cost of teaching and related personnel at reasonable salaries.* The actual cost of salaries at reasonable rates will be allowed for teaching personnel and related personnel which will include personnel essential to the teaching function such as laboratory supply room attendants and clerical personnel assisting teachers in the preparation of instructional material and records. The salaries of personnel serving both in administrative and teaching functions will be prorated accordingly. The activities of persons related to the teaching functions whose duties do not include actual instruction to students in classrooms and laboratories shall be explained and the basis of allocation to teaching costs clearly indicated. The total cost shown for teaching personnel on item 1, page 1, VA Form 7-1968, will be supported by schedule A (or optional equivalent schedule) which will list the name, title,

annual salary rate, hours per week of instruction, the proration basis of allocating the proportion of the teaching salary to the course, and the amount allocated. For teachers who are not employed for the full period of the course, the beginning and ending dates of employment will be shown. Salaries may be allocated to a particular course on the basis of the proportion that the number of hours per week, either credit- or clock-hours, devoted to the particular course bears to the total credit- or clock-hour load of the individual. Social security taxes and retirement insurance, if paid, may be included as part of the salary expense.

(ii) *Consumable instructional supplies.* This item will include the cost of instructional supplies and teaching aids which are actually consumed during the process of instruction determined in accordance with § 21.532. Supporting detail for item 2, page 1 of VA Form 7-1968, will be provided on schedule B or an optional equivalent schedule. Actual cost must be shown, and there shall be deducted therefrom all proceeds of sales or waste and other products. Where the institution lists all consumable instructional supplies as expense items on schedule B (or optional equivalent schedule), including the cost of items which are salvageable or result in other products, the amounts for which the Veterans' Administration may not pay in accordance with § 21.532 will be deducted on schedule B.

(iii) *Depreciation on buildings and equipment.* Depreciation on buildings and equipment for profit institutions will not be in excess of rates allowed by the Bureau of Internal Revenue for income tax purposes. Depreciation will be allowed on such items as classroom chairs, desks, lathes, large tools, testing machines, and similar equipment used for instructional purposes. For items of capital equipment which are individually of small value, it is preferable that such items be grouped together though this will apply only to those items of a similar nature and items valued individually at \$50 or less. For example, 300 miscellaneous classroom chairs whose value varies from \$5 to \$10 need not be itemized showing individual values, but the total value of all such chairs would be shown as a 1-line item. If the total value of such chairs were \$2,000 it would be shown as 300 classroom chairs, value—\$2,000. Depreciation on equipment used for administrative expenses shall be listed in the schedule of administrative expenses and will not be listed in the items for instructional equipment. (Item 3—schedule C or optional equivalent schedule.) Notwithstanding the foregoing, where substantial sums are involved in the listing of any item or groups of items and it appears that further information is desirable, the Veterans' Administration may require such additional data which is considered necessary for the determination of reasonable depreciation allowances.

(iv) *Rent.* Reasonable cost of space rented will be allowed though not in excess of the actual cost of rent for space used for instructional purposes. Leasehold improvements will be shown, if any,

listing the parties and terms of the lease and providing details of each irremovable improvement made, the cost of the improvement, and the date it was made. (Item 4—schedule D or optional equivalent schedule.)

(v) *Heat, light, power, water, janitor service, and building maintenance.* Allowable costs will include the proper prorated portion of heat, light, power, water, janitor service and building maintenance, and each cost must be set forth in detail and fully itemized. If costs cannot be directly charged to the space used, they may be allocated on the basis of square feet for time used, on the basis of student hours, or on another acceptable basis. (Item 5—schedule E or optional equivalent schedule.)

(vi) *Taxes and insurance exclusive of income taxes.* Property taxes, school taxes, and other similar taxes, fire insurance, compensation insurance, and public liability insurance on personnel and property used for instruction may be included. Income taxes and personal life insurance will not be included. Supporting details for item 6 will be provided in schedule F or an optional equivalent schedule.

(vii) *Administrative expenses.* Actual administrative expenses which are considered reasonable and necessary in the operation of the school and are properly allocable to the courses under review. Such expenses may include salaries of administrative and clerical personnel representing reasonable compensation for services actually performed and the cost of such items as postage, telephone and telegraph, travel, interest, legal and accounting fees for actual services (not retainers), stationery and office supplies, and such other similar expenses as are reasonable and necessary for the operation of the school: *Provided*, That in no case will there be included in the fair and reasonable cost determination a base salary in excess of the rate of \$10,000 per annum for an individual who has a proprietary or bonus interest in the institution. The administrative cost must be itemized, and the salary items must be supported by a statement showing for each person the name, title, annual salary, percentage of time devoted to administration, and the amount of salary allocated to the cost of the courses under review. All cases where requested administrative costs exceed 15 percent of items in subdivisions (i), (ii), (v), and (vi) of this subparagraph shall be forwarded to the special assistant to the director, training facilities service, for the area concerned, for review and approval. Supporting details of item 7 will be provided in schedule G or an optional equivalent schedule.

(viii) *Advertising expense.* Advertising expense calculated in accordance with the procedure set forth below and not to exceed the limitations prescribed herein. Supporting details of item 8 will be provided in schedule H of VA Form 7-1968 or an optional equivalent schedule.

(a) *Determination of amount allowable for advertising expense.* Well-established profit institutions may be permitted to include actual advertising

expenses for the period covered by the cost data in determining fair and reasonable costs where the percentage of actual advertising expense in relation to gross income from resident instruction for the period covered by the cost data does not exceed the average percentage of gross income expended by the institution for advertising over the 5-year period immediately preceding June 22, 1944, as evidenced by a certified statement of the institution as to advertising expenses and gross income from resident instruction for the periods covered, and where the percentage of advertising expense in relation to gross revenue from tuition does not exceed the average percentage of advertising costs for other comparable well-established schools in the area. Where the institution has not been established for a period of 5 years prior to June 22, 1944, and therefore does not have a fair standard of experience with relation to advertising costs prior to the enactment of Public Law 346, the institution may be permitted to include advertising expense actually incurred during the period covered by the cost review in an amount not to exceed the average percent of gross income from resident instruction which other well-established comparable schools in the area have expended for advertising for the 5-year period immediately prior to June 22, 1944. If there are no other comparable schools in the area and if the institution does not have a 5-year experience prior to June 22, 1944, the schools may be authorized to include actual advertising costs at a rate shown by their experience, but not in an amount to exceed 8 percent of the total gross income from resident instruction for the period covered by the cost review without prior approval of central office. Where there are no other comparable well-established schools in the area and the actual advertising experience of the institution exceeds 8 percent of gross income from resident instruction, more than 8 percent may not be included in the fair and reasonable cost determination unless all facts are submitted to the special assistant to the director, training facilities service, for the area concerned and approval is granted for the inclusion of advertising costs in excess of 8 percent. In no event will a newly established school, without actual cost experience for advertising expense, be permitted to include in a fair and reasonable cost statement, advertising expense in excess of 8 percent of gross income from tuition for resident instruction.

(b) *Definition.* The term "advertising expense" as used herein includes the expenses incurred in the operation of an advertising department within the contractor's organization as well as expenses incurred in the use of advertising media, such as newspapers, magazines, radios, brochures, pamphlets, bulletins, and catalogs. Promotional activities involving gifts, scholarships, contests, prizes, and sales commissions are not permitted to be included as allowable advertising expenses.

(ix) *Profit.* Profit not to exceed 10 percent of the amount customarily charged to nonveteran students for the course. For example, if the customary

charge for the course is \$200 and the amounts listed in subdivisions (i) through (viii) of this subparagraph, divided by the total number of students equals \$170, there will be added to the \$170 a profit allowance of \$20 (10 percent of \$200) making a total maximum rate of \$190, which can be determined to be fair and reasonable. If no non-veteran students are enrolled and there is therefore no real customary charge actually being paid by nonveteran students or if the institution does not have a customary cost of tuition as defined in § 21.467, the profit allowance will be determined as one-ninth (1/9) of the total allowable costs included in subdivisions (i) through (viii) of this subparagraph, except that no profit as above will be allowed on textbooks, supplies, and equipment (issued to individual veterans) included in subdivision (ii) of this subparagraph "consumable instructional supplies."

(x) *Commission and promotion expense not allowed.* Expenses for sales commissions and promotional plans will not be allowed.

(3) *Deduction of income received.* Each profit institution will complete schedule I (or optional equivalent schedule) as supporting information for item 10 on page 1 of VA Form 7-1968. Schedule I will include income received from fees, and sales of services, and, where a separate handling charge is allowed, such income will also be included. All income received from the course, or courses, as applicable, will be listed except income from tuition and the proceeds of sales of waste or other products (which will be shown on schedule B or the optional equivalent schedule).

(c) *VA Form 7-1969 and VA Form 7-1968.* VA Form 7-1969, Statement of Costs, Nonprofit Institution and VA Form 7-1968, Statement of Costs, Profit Institution, will be used in compiling data required for fair and reasonable determination under this section.

(1) *Certification.* The certification will be completed by the president or the business manager of the institution.

(2) *Statement of costs.* A summary sheet (page 1) is required for each course except that where courses are commonly considered and one contract rate is applicable, one summary sheet applicable to such will be used. All details will be provided by the educational institution except for parts designated "VA use only."

(3) *Analysis of enrollment.* The analysis of enrollment (page 2) is necessary to determine the actual days and actual total hours of instruction which are applicable to the cost period. The form should be completed for the 12 months applicable, and for each month the number of student days or nights should be listed for which the institution is entitled to be paid.

8. In § 21.531, paragraphs (a), (c), and (d) are amended as follows:

§ 21.531 *Adjustment of tuition on the basis of the cost of teaching personnel and supplies for instruction.* (a) Effective as of the date of its first contract required to be negotiated subsequent to

the effective date of this section, an educational institution may elect any one of the three bases in subparagraphs (1), (2), and (3) of this paragraph for determining the estimated cost of teaching personnel and supplies for instruction. After selecting one of such bases, the educational institution will not be permitted to change the basis of computation from time to time but will be required to use the elected basis so long as it is entitled and permitted to receive adjusted compensation for training veterans under Public Law 346, 78th Congress, as amended.

(1) Estimated cost of teaching personnel and supplies for instruction based on the actual cost and enrollment for the spring term (quarter or semester) immediately preceding the date that the adjusted tuition is to become effective, computed in accordance with the provisions of this section. This basis will be used only where the educational institution desires a contract for at least a full school year.

(2) Estimated cost of teaching personnel and supplies for instruction based on the actual cost and enrollment for the last completed quarter, term, or semester immediately preceding the date that the adjusted tuition is to become effective, computed in accordance with the provisions of this section. In electing a contract rate on the basis of this subparagraph the contract will be made only for the period of the current quarter, term, or semester, and, therefore, a new rate will be calculated and a new contract or supplement to contract will be made for each succeeding quarter, term, semester, or summer session, as applicable.

(3) The cost of teaching personnel and supplies for instruction based on the actual cost and enrollment for the current quarter, term, or semester for which payment on the adjusted tuition rate is applicable, computed in accordance with the provisions of this section. In electing a contract rate on the basis of this subparagraph, the contract will be made only for the period of the current quarter, term, or semester, and, therefore, a new rate will be calculated and a new contract or supplement to contract will be made for each succeeding quarter, term, semester, or summer session, as applicable.

(c) *Procedure for calculating the cost of teaching personnel and supplies for instruction.* (1) * * *

(ii) The rate per credit hour for instruction will be determined on the basis of the enrollment and the actual costs as follows:

(a) Under the provisions of paragraph (a) (1) of this section, the data will be for spring term (quarter or semester) immediately preceding the date that the adjusted tuition is to become effective.

(b) Under the provisions of paragraph (a) (2) of this section, the data will be for the last completed quarter, term, or semester immediately preceding the date the tuition rate is to become effective.

(c) Under the provisions of paragraph (a) (3) of this section, the data will be

for the current quarter, term, or semester for which payment of the adjusted tuition rate is applicable. (For purposes of the calculation, the cost and enrollment figures must cover the same instructional period.) The rate will include the cost of teaching personnel determined by dividing the total of teaching salaries as defined in paragraph (b) of this section by the total credit-hours for which part- and full-time students are enrolled. To the rate per credit-hour of instruction so determined will be added an allowance of 15 percent to cover the cost of personnel related to the actual teaching process and supplies for instruction.

(2) For other nonprofit schools not using a credit-hour system:

(i) Payments of tuition on the basis of the estimated cost of teaching personnel and supplies may be made in terms of clock hours of instruction; per man week; per man month; per course; or other terms as may be applicable and as may be agreed upon.

(ii) The principles, definitions, and allowances for other teaching personnel and supplies set forth herein will be used to calculate a unit cost for teaching personnel and supplies for instruction.

(d) Certification of calculation of cost of teaching personnel and supplies for instruction. Where an educational institution is required to submit a calculation of the cost of teaching personnel and supplies for instruction, such calculation must bear the following certification of the president or chief financial officer of the institution:

I hereby certify that the attached computation has been made in accordance with the requirements set forth in paragraph 10531 of Veterans Administration Regulations on the basis of the actual cost and enrollment of this institution for the _____ semester (or quarter) beginning on _____ and ending on _____.

Signed _____
Title _____

9. In § 21.539 (f), subparagraph (1) is amended and subparagraph (3) is deleted as follows:

§ 21.539 *Furnished by the institution.*

(f) *Billing for "supplies."* (1) Charges for "supplies" furnished by an institution to trainees may be billed immediately after such articles are issued or may be included in the billing for tuition and incidental fees. Billing may be made on Standard Form 1034, "Public Voucher for Purchases and Services Other Than Personal," or on the invoice of the institution or a combination of the two; i. e., Standard Form 1034 supported by a number of invoices (normally not more than 50). Each voucher or invoice will show the following for each veteran trainee: Name and C-number, date of enrollment, amount of charge and period covered by the charge (in column "Date of Delivery or Service"). Books, supplies, equipment, etc., need not be itemized to show the individual items for which charges are made but sufficient information should be indicated so that the character of the charges may be determined. For instance, where it is the practice of an

institution to submit its charges to cover both tuition and other items in one amount, it will be sufficient to state on the voucher or invoice "Tuition, books, supplies, etc.," without break-down. However, if the school's charges as reflected by contract, catalogue, or otherwise are stated separately as to tuition, as to fees, as to supplies, or as to equipment (including books), the voucher or invoice should show the amount applicable to each such general break-down. Vouchers or invoices will be certified using the certification provided in § 21.669. This certification may be stamped on, or otherwise added to, the face of the voucher or invoice, in which case the signature following the payee's certificate will be considered as subscription to the statement. The face of the voucher will show the authority for the expenditure as, for example, "Public Law 346, 78th Congress."

(3) [Canceled.]

10. Section 21.638 is amended to read as follows:

§ 21.638 *Termination of contracts under Part VIII, Veterans Regulation 1 (a), as amended (38 U. S. C. ch. 12).* (a) Article 6 of VA Form 7-1903, Contract for Education and Training, Public Laws 16 and 346, 78th Congress, as amended, authorizes the Veterans' Administration to terminate a Part VIII contract in its entirety or partially upon notice in writing to the contractor 60 days prior to the effective date of termination. The regional office is authorized to cancel the entire contract or any part thereof without prior approval when it is determined that all or part of the services furnished under the contract will no longer be required for training eligible veterans and that such termination of the contract is, therefore, desirable.

(b) Where the regional office considers that fraud has been committed against the Government, or that the contractor is not furnishing the courses of instruction as required by the terms of the contract and the contractor has refused to correct the condition, or that the best interests of the Government or trainees will be served by a partial or total termination, the full particulars pertaining to the desired termination will be forwarded together with the recommendation of the regional office to central office for the authority to terminate the contract pursuant to the provisions of article 6 of the contract, VA Form 7-1903.

11. Section 21.646 is amended to read as follows:

§ 21.646 *General restriction.* The Veterans' Administration will not reimburse a veteran who pays personally for tuition, incidental fees, books, supplies, and equipment or other necessary expenses except as follows:

(a) As provided in § 21.150 in the case of books, supplies, and equipment for veterans enrolled in foreign educational institutions.

(b) Part VII, Veterans Regulation 1 (a), as amended, (38 U. S. C. ch. 12)

veterans may be reimbursed for authorized licensing examination fees under § 21.457, where such payment is considered feasible by the manager of the regional office. Under certain circumstances a Part VIII trainee may be reimbursed by the educational institution as provided in § 21.647.

12. In § 21.655 (b), subparagraph (1) is amended, new subparagraphs (2) and (3) have been added and former subparagraphs (2), (3), and (4) have been redesignated (4), (5), and (6) respectively.

§ 21.655 *General.* * * *

(b) The period for which payment of charges may be made will be the period of the veteran's actual enrollment in the institution and will be subject to the following:

(1) The effective beginning date will be the date of the veteran's authorized entrance into training status as shown on Veterans' Administration certification documents, except that payment will be made for an entire semester, quarter, or term in institutions operating on that basis if the veteran enters not later than the final date set by the institution for enrolling for full credit and his entrance is not prior to the date shown on the authorization document.

(2) Where the date of the veteran's authorized entrance into training status is subsequent to the date the veteran enrolls and commences his training, the educational institution will certify as to the actual date of enrollment and the Veterans' Administration will prorate the total actual expenses for tuition, fees, books, supplies, etc., on the basis that the actual number of instructional days remaining in the term, from the date of authorized entrance into training to the end of the term, bears to the total number of instructional days in the term.

(3) In those cases where the institution has not set a final date for enrolling for full credit or will not set a date acceptable to the Veterans' Administration, payment will be prorated on the basis of attendance regardless of the refund policy.

(4) If an institution customarily charges for the amount of credit or number of hours of attendance for which a veteran enrolls, payment may be made on that basis when a veteran enters after the final date permitted for carrying full credit for the semester or term.

(5) The terminal date to which payment will be made is the day following:

(i) The end of the semester, term, or quarter during which the educational services are furnished.

(ii) The date of interruption or discontinuance of training.

(iii) The date of completion of the course.

(6) Expiration of entitlement. (See § 21.519.)

13. In § 21.656, paragraphs (c) and (d) are amended to read as follows:

§ 21.656 *Time of payment to institutions for residence courses for Part VII and Part VIII, Veterans Regulation 1 (a), as amended, (38 U. S. C. ch. 12) trainees and basis for determining amount payable.* * * *

(c) *Payments to other than nonprofit and to nonprofit institutions*—(1) *Payments to other than nonprofit institutions.* In all cases where veterans are enrolled in other than nonprofit institutions, the payment of tuition and fees will be made in arrears prorated on the basis of the veteran's period of attendance.

(2) *Payments to nonprofit institutions.* For nonprofit institutions, other than those eligible for payment in accordance with paragraphs (d) and (e) of this section, payment of tuition and fees for eligible veterans enrolled therein will be made in arrears prorated on the basis of the veteran's period of attendance. For the institutions affected, this subparagraph shall be effective with the beginning of the first term, quarter, or semester subsequent to February 1, 1950, or with the date of termination of the contract which is in effect as of the date of this section whichever is the later.

(d) *Provisions for payment to certain nonprofit institutions after expiration of refund period.* (1) Nonprofit educational institutions may be paid in accordance with the provisions set forth in subdivisions (ii) and (iii) of this subparagraph, provided such institutions operate on a regular term, quarter, or semester basis and normally accept students only at the beginning of the term, quarter, or semester and provided, further, such institutions are either:

(i) Institutions of higher learning that use a standard unit of credit recognized by accrediting associations (such institutions will include those which are members of recognized national or regional educational accrediting associations and those which, although not members of such accrediting associations, grant standard units of credit acceptable at full value without examination by collegiate institutions which are members of national or regional accrediting associations), or

(ii) Public tax-supported institutions, or

(iii) Institutions operated and controlled by State, county, or local boards of education.

(2) Eligible institutions listed in subparagraph (1) of this paragraph which have a refund policy providing for a graduated scale of charges for purposes of determining refunds at least equivalent to that set forth in paragraph (e) of this section or those eligible institutions in subparagraph (1) of this paragraph which are willing to adopt such a policy with reference to veteran trainees, except as provided in subparagraph (3) of this paragraph may submit a bill and be paid part or all of the entire amount of the allowable tuition and other fees for a term, quarter, or semester of 19 weeks or less immediately following the date on which the refund period expires as designated for each of the following bases of payment:

(i) *Customary charges or other than customary charges*—(alternatives 1, 2, or 3, R&PR-10472, R-10473, and R-10474). Payment will be made in full for the entire term, quarter, or semester immediately following the expiration of the refund period. The graduated scale of charges of the institution will also be

applicable for purposes of determining the payment to be made for veterans withdrawing or discontinuing before the expiration of the refund period.

(ii) *Alternative 4, R&PR-10475—estimated cost of teaching personnel and supplies for instruction* (a) Payments on this basis consist of tuition at a rate per credit hour plus the other regular non-tuition fees of the institutions such as laboratory, student health, library, and student activity fees. After the expiration of the refund period or as soon thereafter as the institution is able to determine the number of credit hours for which a student is enrolled and for which performance will be finally recorded on the records of the institution, the institution may bill and be paid for the full amount of tuition at the contract rate per credit-hour and for the full amount of the other customary non-tuition fees charged by the institution. The "number of credit-hours for which performance will be recorded" means those credit-hours of work for which the student is finally enrolled after the expiration of the period during which a student is permitted to change courses without penalty insofar as credit is concerned. The credit-hour valuation used for purposes of calculating the payment will be the normal credit offered by the institution for the subject of course involved without regard to the fact that performance may finally be recorded in any one of a number of various terms, such as full credit, withdrawn, incomplete, or such other official record of performance as may be made by the institution following the expiration of the date for change of course without penalty.

(b) The basis of determining the number of credit hours for purposes of payment should be comparable to the basis used by the institution in calculating the number of credit hours for purposes of determining the rate of payment.

(3) Nonprofit educational institutions, as set forth in subparagraph (1) of this paragraph, which do not have or will not accept a graduated scale of charges for purposes of determining refunds at least equivalent to that set forth in paragraph (e) of this section, will be required to prorate charges on the basis of actual attendance for veterans withdrawing or discontinuing prior to the close of the period and will be paid in arrears for the prorata part of the charge for services rendered during the period covered by vouchers submitted for payment. Effective with the beginning of the first term, quarter, or semester, on or subsequent to March 1, 1950, nonprofit educational institutions which have a customary refund policy more favorable than that set forth in paragraph (e) of this section will be paid on the basis of such customary refund policy applicable to nonveterans, and, therefore, such institutions will not be eligible to use the refund policy set forth in paragraph (e) of this section.

14. Section 21.669 is amended to read as follows:

§ 21.669 *Certification by the institution.* All vouchers or invoices submitted by educational institutions for tuition,

fees, books, supplies, and equipment (except vouchers for correspondence courses and advance payment) for Part VII and Part VIII, Veterans Regulation 1 (a), as amended (38 U. S. C. ch. 12), trainees will include the following uniform payee's certification which has been approved by the General Accounting Office:

I certify that the above bill is correct and just; that payment therefor has not been received; that charges are not in excess of those charged other students pursuing the same or similar courses or those established by the Administrator as fair and reasonable; that State and local sales taxes and Federal admission taxes imposed by section 1700 (a) of the Internal Revenue Code, as amended, are not included in the amounts billed; that no amount herein claimed represents the cost of any rebate, prize, or payment in goods or money which has been made to any veteran-trainee and that no part of the amount herein claimed will be so used. It is further certified that evidence of delivery of books, supplies, and equipment on account of each veteran is available for inspection by the United States Government; that records on hand substantiate charges herein by signed receipts of each veteran-trainee; and that all applicable statutory requirements as to American production and labor standards have been complied with.

(Sec. 2, 46 Stat. 1016, sec. 7, 48 Stat. 9, sec. 504, 58 Stat. 293, as amended; 38 U. S. C. 11a, 694, 707. Interpret or apply 57 Stat. 43, secs. 300, 400, 500, 1500-1504, 58 Stat. 286, 287, 291, 300, 301; secs. 5, 6, 7, 10, 11, 59 Stat. 624, 626, 631, 542, 60 Stat. 124, 934, 61 Stat. 180, 449, 739, 791; 38 U. S. C. and Sup., 693g, 697-697d, 697f, 697g, ch. 12 note)

This regulation becomes effective May 5, 1950.

[SEAL]

O. W. CLARK,
Deputy Administrator.

[F. R. Doc. 50-3767; Filed, May 4, 1950; 8:45 a. m.]

TITLE 39—POSTAL SERVICE

Chapter I—Post Office Department

PART 127—INTERNATIONAL POSTAL SERVICE: POSTAGE RATES, SERVICE AVAILABLE, AND INSTRUCTIONS FOR MAILING

ITALY (INCLUDING THE REPUBLIC OF SAN MARINO) AND RYUKYU ISLANDS

a. In § 127.283 *Italy (including the Republic of San Marino)* (39 CFR 127.283; 14 F. R. 2832) amend subdivision (vi) of paragraph (b) (5) to read as follows:

(vi) *For other reasons.* Weights, measures, and instruments for weighing and measuring not meeting the required standards.

Radio receiving sets, unless imported as household goods of persons returning permanently to Italy.

b. In § 127.342 *Ryukyu Islands* (39 CFR 127.342; 14 F. R. 1441) amend subdivision (i) of paragraph (b) (4) to read as follows:

(i) *Gift parcels.* These are limited at present to "U. S. A. Gift Parcels" (see below).

(R. S. 161, 396, 398, secs. 304, 305, 42 Stat. 24, 25, 48 Stat. 943; 5 U. S. C. 22, 369, 372)

[SEAL]

V. C. BURKE,
Acting Postmaster General.

[F. R. Doc. 50-3807; Filed, May 4, 1950; 8:46 a. m.]

TITLE 45—PUBLIC WELFARE

Chapter III—Bureau of Federal Credit Unions, Social Security Administration, Federal Security Agency

PART 301—ORGANIZATION AND OPERATION OF FEDERAL CREDIT UNIONS

PART 302—RESERVES

NOTICE OF ADOPTION AND PROMULGATION

Notice having been published in the FEDERAL REGISTER, on March 18, 1950 (15 F. R. 1545), that the Director of the Bureau of Federal Credit Unions, with the approval of the Commissioner for Social Security and the Federal Security Administrator, proposed to prescribe certain regulations in lieu of the present regulations of the Bureau of Federal Credit Unions (45 CFR, Ch. III) and that prior to the official adoption of the proposed regulations consideration would be given to any data, views, or arguments pertaining thereto submitted to the Director of the Bureau of Federal Credit Unions, Federal Security Agency, Federal Security Agency Building, Washington 25, D. C., within a period of thirty days from the date of publication of the notice in the FEDERAL REGISTER, and the regulations proposed to be adopted having been set forth in the FEDERAL REGISTER beginning at page 1545 (15 F. R. 1545), and the 30-day period having elapsed and no data, views, or arguments pertaining to the proposed regulations having been submitted, the proposed regulations as printed in the FEDERAL REGISTER (15 F. R. 1545) are hereby adopted and promulgated as set forth below effective thirty days after the date of publication of this document in the FEDERAL REGISTER.

Dated: April 19, 1950.

[SEAL] CLAUDE R. ORCHARD,
Director,
Bureau of Federal Credit Unions.

Approved:

W. L. MITCHELL,
Acting Commissioner for Social Security.

Approved: April 27, 1950.

JOHN L. THURSTON,
Acting Federal Security Administrator.

PART 301—ORGANIZATION AND OPERATION OF FEDERAL CREDIT UNIONS

Subparagraphs captioned Article XIII—Reserves, Article XIV—Dividends, and Article XVIII—Definition of Terms of 45 CFR 301.3 (13 F. R. 9341) are hereby amended to read as follows:

§ 301.3 Standard form of bylaws.

ARTICLE XIII—RESERVES

SECTION 1. All entrance fees, transfer fees, and fines and 20 per centum of the net earnings of each year (before the declaration of any dividend) shall be set aside as a regular reserve; *Provided, however,* That when the regular reserve thus established shall equal 10 per centum of the total amount of members' shareholdings, no further transfer of net earnings to such regular reserve shall be required except that such amounts not in excess of 20 per centum of the net earnings as may be needed to maintain this 10 per

centum ratio shall be transferred. Net earnings in excess of the above requirements may be transferred to the regular reserve by authorization of the board of directors subject to approval of the members at the annual meeting. The regular reserve shall be used only for losses on loans to members and to other credit unions (including unrecovered collection costs) and such other losses as are specified in the regulations of the Bureau of Federal Credit Unions. The regular reserve shall not be distributed except in the case of final liquidation.

Sec. 2. In addition to the regular reserve, special reserves to protect the interests of members shall be established in accordance with section 12 of the Federal Credit Union Act, as amended.

ARTICLE XIV—DIVIDENDS

SECTION 1. At the annual meeting only, on recommendation of the board of directors, a dividend may be declared from the net earnings remaining after providing for reserves as specified in Article XIII of these bylaws. Any such dividend shall be paid only on shares fully paid up before December 1, and outstanding on December 31, of the preceding year. In the case of any share which became fully paid up during such year and prior to December 1 thereof, the holder shall be entitled to receive a proportional part of said dividend calculated from the first day of the month following such payment in full.

ARTICLE XVIII—DEFINITION OF TERMS

SECTION 1. When used in these bylaws the terms:

(a) "Net earnings", for a given period, shall mean the balance remaining after deducting from the gross income of this credit union actually received during such period all expenses paid or payable during such period, and any losses sustained therein (as determined by the board of directors) for which no specific reserve has been set aside. Amounts set aside during such period as a reserve shall not be deemed items of expense.

(b) "Paid-in and unimpaired capital", as of a given date, shall mean the balance of the paid-in shares account as of such date, less any losses that may have been incurred for which there is no reserve or which have not been charged against undivided profits or surplus.

(c) "Surplus", as of a given date, shall mean the credit balance of the undivided profits account on such date, after all losses have been provided for and net earnings or net losses have been added thereto or deducted therefrom, as the case may be. Reserves shall not be considered as a part of the surplus.

(Sec. 16, 48 Stat. 1221, as amended; 12 U. S. C. 1766)

PART 302—RESERVES

Part 302—Reserves (14 F. R. 4850) is amended to read as follows:

Sec.

302.1 Reserves in general.

302.2 Regular Reserve.

302.3 Special Reserve for Delinquent Loans.

AUTHORITY: §§ 302.1 to 302.3 issued under sec. 16, 48 Stat. 1221, as amended; 12 U. S. C. 1766.

§ 302.1 *Reserves in general.* Federal credit unions shall establish and maintain such reserves as may be required by the Federal Credit Union Act, as amended, or by regulation, or in special cases by the Director of the Bureau of Federal Credit Unions on his finding that the reserves of the Federal credit union concerned are insufficient.

§ 302.2 *Regular Reserve.* (a) The treasurer shall transfer to a reserve to be known as the Regular Reserve: (1) As of the close of business each month, all entrance fees, transfer fees, and fines collected during the month; (2) as of December 31 of each year, 20% of the net earnings for that year; *Provided, however,* That when the regular reserve thus established shall equal 10% of the total amount of members' shareholdings, transfers of net earnings to the Regular Reserve may be limited to the amount necessary to maintain the Regular Reserve equal to 10% of the total amount of members' shareholdings; and (3) as of the close of business each month, recoveries on items previously charged to the Regular Reserve.

(b) A Federal credit union may charge to its regular reserve losses on uncollectible loans to members and to other credit unions (including unrecovered collection costs).

(c) A Federal credit union may charge to its regular reserve losses other than those resulting from uncollectible loans to members or to other credit unions provided that each such charge has been approved in advance by the Director of the Bureau of Federal Credit Unions. In determining whether such charges shall be approved, the Director of the Bureau of Federal Credit Unions will be guided by the nature of the loss and the financial condition of the Federal credit union concerned as indicated by: the amount of loan delinquency and estimated losses on outstanding loans, current and prospective net earnings, and similar facts which may affect its operations and development.

Applications for approval to charge such losses to the regular reserve shall be made in writing to the Regional Representative of the Bureau of Federal Credit Unions for the region in which the Federal credit union maintains its principal office. The application shall: (1) be authorized by the board of directors of the Federal credit union; (2) state the amount and nature of the loss; (3) describe fully the causes of the loss; and (4) be accompanied by a copy of the Federal credit union's current financial and statistical report (Form FCU 109 rev.) and a copy of the current Schedule of Delinquent Loans (Form FCU 118). The Regional Representative may request such additional information concerning the financial condition, operating practices, and management of the Federal credit union as he may deem necessary in a particular case.

The Regional Representative will investigate each such application and will make a recommendation as to whether it should be approved or disapproved. The application and recommendation of the Regional Representative shall be forwarded to the Division of Field Operations, Bureau of Federal Credit Unions in Washington, D. C. The Division of Field Operations shall consider the application and the recommendations of the Regional Representative and shall make recommendations to the Director of the Bureau of Federal Credit Unions who shall approve or disapprove the application. The Regional Representative will be informed of the Director's action on

the application and will then communicate with the Federal credit union concerned.

§ 302.3 *Special Reserve for Delinquent Loans.* (a) The Regular Reserve of each Federal credit union shall be supplemented by a special reserve to be known as the Special Reserve for Delinquent Loans, which shall be equal to the excess of the sum of 10% of the unpaid balances of loans delinquent more than two months and less than six months, plus 25% of the unpaid balances of loans delinquent from six months to less than 12 months, plus 50% of the unpaid balances of loans delinquent from 12 months to less than 18 months, and plus 100% of the unpaid balances of loans delinquent 18 months or more over the balance in the Regular Reserve. In the

event it is necessary to supplement the Regular Reserve by a Special Reserve for Delinquent Loans, the transfer to the Special Reserve for Delinquent Loans shall be made as of December 31 of each year from Undivided Profits before any distribution of dividends. The maintenance of a Special Reserve for Delinquent Loans shall not eliminate the necessity for transferring net earnings as of December 31 each year to the Regular Reserve as required by paragraph (a) of § 302.2. In the event the required transfer exceeds the balance of Undivided Profits, only the balance of Undivided Profits shall be transferred to the Special Reserve for Delinquent Loans.

(b) When, as of December 31 of any year, the amount in the Special Reserve

for Delinquent Loans exceeds the amount required by the regulations in this part, the board of directors of the Federal credit union may authorize the transfer of the excess to Undivided Profits.

(c) Upon written application by the Board of Directors of a Federal credit union, the Director of the Bureau of Federal Credit Unions may waive, in whole or in part, the requirement for the maintenance of the Special Reserve for Delinquent Loans contained in paragraph (a) of this section. Such applications shall be addressed to the Regional Representative of the Bureau of Federal Credit Unions in the area in which the Federal credit union concerned maintains its principal offices.

[F. R. Doc. 50-3818; Filed, May 4, 1950; 8:48 a. m.]

PROPOSED RULE MAKING

DEPARTMENT OF AGRICULTURE

Production and Marketing Administration

[7 CFR, Part 901]

[Docket No. AO-207]

HANDLING OF IRISH POTATOES GROWN IN DELAWARE AND CERTAIN DESIGNATED COUNTIES IN MARYLAND

DECISION WITH RESPECT TO PROPOSED MARKETING AGREEMENT AND ORDER

Pursuant to the Agricultural Marketing Agreement Act of 1937, as amended (48 Stat. 31, as amended; 7 U. S. C. 601 et seq.; 61 Stat. 202, 707; 62 Stat. 1247; 63 Stat. 1051), and the applicable rules of practice and procedure governing proceedings to formulate marketing agreements and marketing orders (7 CFR, Part 900), a public hearing was held at Salisbury, Maryland on January 18-20, 1950, pursuant to notice thereof in the FEDERAL REGISTER (14 F. R. 7527), upon a proposed marketing agreement and a proposed marketing order regulating the handling of Irish potatoes grown in the State of Delaware and the counties of Worcester, Somerset, Wilcomico, Dorchester, Talbot, Caroline, Queen Annes, Kent, and Cecil in the State of Maryland.

Upon the basis of the evidence introduced at the aforesaid hearing and the record thereof, the Acting Assistant Administrator, Production and Marketing Administration, on March 27, 1950, filed with the Hearing Clerk, United States Department of Agriculture, his recommended decision in this proceeding. The notice of the filing of such recommended decision, affording opportunity to file written exceptions thereto, was published in the FEDERAL REGISTER (15 F. R. 1797-1809).

Rulings on exceptions to recommended decision. Exceptions to the recommended decision of the Acting Assistant Administrator were filed by Ernest Zimmerman and J. Leon Tarburton, presi-

dent and secretary, respectively, of the Kent County (Delaware) Potato Growers Association. In arriving at the findings and conclusions decided upon in this decision, each of the exceptions was carefully and fully considered in conjunction with the record of evidence pertaining thereto. To the extent that the findings and conclusions decided upon herein are at variance with the exceptions pertaining thereto, such exceptions are overruled.

The material issues and the findings and conclusions of the recommended decision set forth in the FEDERAL REGISTER (F. R. Doc. 50-2674; 15 F. R. 1797-1809) are hereby approved and adopted as the material issues and the findings and conclusions of this decision as if set forth in full herein.

Marketing agreement and order. Annexed hereto and made a part hereof are two documents entitled, respectively, "Marketing Agreement Regulating the Handling of Irish Potatoes Grown in Delaware and Certain Designated Counties in Maryland" and "Order Regulating Handling of Irish Potatoes Grown in Delaware and Certain Designated Counties in Maryland" which have been decided upon as the appropriate and detailed means of effectuating the foregoing conclusions. The aforesaid marketing agreement and the aforesaid order shall not become effective unless and until the requirements of § 900.14 of the aforesaid rules of practice and procedure governing proceedings to formulate marketing agreements and marketing orders have been met.

It is hereby ordered, That all of this decision, except the attached agreement, be published in the FEDERAL REGISTER. The regulatory provisions of the said agreement are identical with those contained in the attached order, which will be published with this decision.

Done at Washington, D. C., this 2d day of May 1950.

[CELL]

CHARLES F. BRANNAN,
Secretary of Agriculture.

Order¹ Regulating the Handling of Irish Potatoes Grown in Delaware and Certain Designated Counties in Maryland

Sec.
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¹ This order shall not become effective unless and until the requirements of § 900.14 of the rules of practice and procedure governing proceedings to formulate marketing agreements and marketing orders have been met.

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- 901.80 Reports.
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AUTHORITY: §§ 901.0 to 901.92 issued under 48 Stat. 31, as amended; 7 U. S. C. 601 et seq.; 61 Stat. 202, 707; 62 Stat. 1247; 63 Stat. 1051.

§ 901.0 *Findings and determinations*—(a) *Findings upon the basis of the hearing record.* Pursuant to Public Act No. 10, 73d Congress (May 12, 1933), as amended and as reenacted and amended by the Agricultural Marketing Agreement Act of 1937, as amended (48 Stat. 31, as amended; 7 U. S. C. 601 et seq.; 61 Stat. 202, 707; 62 Stat. 1247; 63 Stat. 1051), and the rules of practice and procedure governing proceedings to formulate marketing agreements and marketing orders (7 CFR, Part 900), a public hearing was held at Salisbury, Maryland, on January 18–20, 1950, upon a proposed marketing agreement and a proposed marketing order regulating the handling of Irish potatoes grown in the State of Delaware and the counties of Worcester, Somerset, Wicomico, Dorchester, Talbot, Caroline, Queen Annes, Kent, and Cecil in the State of Maryland. Upon the basis of the evidence introduced at such hearing, and the record thereof, it is found that:

(1) All handling of potatoes grown in the production area is either in interstate or foreign commerce or directly burdens, obstructs, or affects such commerce;

(2) The order, as hereinafter set forth, and all of the terms and conditions thereof will tend to effectuate the declared policy of the act with respect to Irish potatoes produced in the production area, specified in this order, by establishing and maintaining such orderly marketing conditions therefor as will tend to establish, as prices to the producers thereof, parity prices and by protecting the interest of the consumer (i) by approaching the level of prices which it is declared in the act to be the policy of Congress to establish by a gradual correction of the current level of prices at as rapid a rate as the Secretary deems to be in the public interest

and feasible in view of the current consumptive demand in domestic and foreign markets, and (ii) by authorizing no action which has for its purpose the maintenance of prices to producers of such Irish potatoes above the parity level, and (iii) by authorizing the establishment and maintenance of such minimum standards of quality and maturity, and such grading and inspection requirements as may be incidental thereto, as will tend to effectuate such orderly marketing of such Irish potatoes as will be in the public interest;

(3) Such order regulates the handling of Irish potatoes grown in the production area in the same manner as, and is applicable only to the persons in the respective classes of industrial and commercial activity specified in, a proposed marketing agreement upon which a hearing has been held;

(4) This order is limited in its application to the smallest regional production area that is practicable, consistent with carrying out the declared policy of the act, and the issuance of several orders applicable to any subdivision of the production area specified in this order would not effectively carry out the declared policy of the act; and

(5) The said order prescribes, so far as practicable, such different terms, applicable to different parts of such production area, as are necessary to give due recognition to the difference in the production and marketing of such Irish potatoes.

Order relative to handling. It is, therefore, ordered that on and after the effective time hereof the handling of potatoes, as defined in this order, shall be in conformity to and in compliance with the terms and conditions of this order; and the terms and conditions of said order are as follows:

DEFINITIONS

§ 901.1 *Secretary.* "Secretary" means the Secretary of Agriculture of the United States or any other officer or employee of the United States Department of Agriculture, who is, or may hereafter be authorized to exercise the powers and to perform the duties of the Secretary of Agriculture.

§ 901.2 *Act.* "Act" means Public Act No. 10, 73d Congress, as amended and reenacted and amended by the Agricultural Marketing Agreement Act of 1937, as amended (7 U. S. C. 601 et seq.; 61 Stat. 202, 707; 62 Stat. 1247; 63 Stat. 1051).

§ 901.3 *Person.* "Person" means an individual, partnership, corporation, association, or any organized group or business unit.

§ 901.4 *Production area.* "Production area" means all territory included within the State of Delaware and the counties of Worcester, Somerset, Wicomico, Dorchester, Talbot, Caroline, Queen Annes, Kent, and Cecil in the State of Maryland.

§ 901.5 *Potatoes.* "Potatoes" means all varieties of Irish potatoes grown within the production area.

§ 901.6 *Handler.* "Handler" is synonymous with shipper and means any

person (except a common or contract carrier of potatoes owned by another person) who ships potatoes.

§ 901.7 *Ship.* "Ship" or "handle" means to transport, sell, or in any other way to place potatoes in the current of commerce within the production area, or between the production area and any point outside thereof; *Provided,* That the definition of "ship" or "handle" shall not include or be applicable to the sale or transportation of potatoes to a recognized dealer or packer within the production area for the purpose of having such potatoes prepared for market.

§ 901.8 *Producer.* "Producer" means any person engaged in the production of potatoes for market.

§ 901.9 *Fiscal year.* "Fiscal year" means the period beginning on January 1 of each year and ending December 31 following.

§ 901.10 *Committee.* "Committee" means the administrative committee, called the Maryland-Delaware Potato Marketing Committee, established pursuant to § 901.22.

§ 901.11 *District.* "District" means each of the geographic Divisions of the production area established pursuant to § 901.24.

§ 901.12 *Varieties.* "Varieties" means and includes all classifications or subdivisions of Irish potatoes according to those definitive characteristics now or hereafter recognized by the United States Department of Agriculture.

§ 901.13 *Seed potatoes.* "Seed potatoes" means and includes all potatoes officially certified and tagged, marked or otherwise appropriately identified, under supervision of the official seed potato certifying agency of the respective state where grown, or other seed certification agencies which the Secretary may recognize.

§ 901.14 *Table stock potatoes.* "Table stock potatoes" means and includes all potatoes not included within the definition of "seed potatoes."

§ 901.15 *Wholesale pack.* "Wholesale pack" means a unit of fifty pounds net weight or more of potatoes contained in a bag, crate, or any other type of container.

§ 901.16 *Consumer pack.* "Consumer pack" means a unit of less than fifty pounds net weight of potatoes contained in a bag, crate, or any other type of container.

§ 901.17 *Grade and size.* "Grade" means any one of the officially established grades of potatoes, and "size" means any one of the officially established sizes of potatoes, as defined and set forth in:

(a) United States Standards for Potatoes issued by the United States Department of Agriculture (14 F. R. 1955, 2161), or amendments thereto, or modifications thereof, or variations based thereon; and

(b) United States Consumer Standards for Potatoes issued by the United States Department of Agriculture (12 F. R. 7281), or amendments thereto, or

modifications thereof, or variations based thereon.

§ 901.18 Export. "Export" means shipment of potatoes beyond the boundaries of continental United States.

ADMINISTRATIVE COMMITTEE

§ 901.22 Establishment and membership. (a) The Maryland-Delaware Potato Marketing Committee consisting of seven members is hereby established. For each member of the committee there shall be an alternate who shall have the same qualifications as the member.

(b) Persons selected as committee members or alternates shall be individuals who are producers in the respective district for which selected, or officers or employees of a corporate producer in such district, and such persons shall be residents of the respective district for which selected.

§ 901.23 Term of office. The term of office of committee members and alternates shall be for two years beginning on the first day of January and continuing until the end of the succeeding fiscal year, and until their successors are selected and have qualified; *Provided, however,* That the terms of office of the initial committee shall be determined by the Secretary so that the terms of office of three initial members and their alternates shall be for one year and that the terms of office of four initial members and their alternates shall be for two years. Committee members and alternates shall serve during the term of office for which they are selected and have qualified, or during that portion thereof beginning on the date on which they qualify during the term of office and continuing until the end thereof, and until their successors are selected and have qualified.

§ 901.24 Districts. For the purpose of determining the basis for selecting committee members, the following districts of the production area are hereby established:

District No. 1. The county of Worcester in Maryland;

District No. 2. The counties of Somerset, Wicomico, Dorchester, Talbot, Caroline, Queen Annes, Kent, and Cecil in Maryland; and

District No. 3. The State of Delaware.

§ 901.25 Selection. The Secretary shall select three members of the committee, with their respective alternates, from District No. 1, two members, with their respective alternates, from District No. 2, and two members, with their respective alternates, from District No. 3.

§ 901.26 Nomination. The Secretary may select the members of the committee, with their respective alternates, from nominations which may be made in the following manner:

(a) Nominations for initial members of the committee and their respective alternates may be submitted by producers, or groups thereof, and such nominations may be by virtue of elections conducted by groups of producers.

(b) In order to provide nominations for succeeding committee members and alternates;

(1) The committee shall hold, or cause to be held, prior to November 1 of each year, after the effective date hereof, a meeting or meetings of producers in each of the districts designated in § 901.24;

(2) In arranging for such meetings the committee may, if it deems desirable, utilize the services and facilities of existing organizations and agencies;

(3) At each such meeting at least two nominees shall be designated for each position as member and for each position as alternate member on the committee;

(4) Nominations for committee members and alternate members shall be supplied to the Secretary, in such manner and form as he may prescribe, not later than 30 days prior to the end of each fiscal year;

(5) Only producers may participate in designating nominees for committee members and their alternates; and

(6) Regardless of the number of districts in which a person produces potatoes, each such person is entitled to cast only one vote on behalf of himself, his agents, subsidiaries, affiliates, and representatives, in designating nominees for committee members and alternates; *Provided,* That in the event a person is engaged in producing potatoes in more than one district, such person shall elect the district within which he may participate in designating such nominees; *Provided further,* That an eligible voter's privilege of casting only one vote shall be construed to permit a voter to cast one vote for each position to be filled in the district in which he elects to vote.

§ 901.27 Failure to nominate. If nominations are not made within the time and in the manner specified in § 901.26, the Secretary may, without regard to nominations, select the committee members and alternates, which selection shall be on the basis of the representation provided for in § 901.25.

§ 901.28 Acceptance. Any person selected as a committee member or as an alternate shall qualify by filing a written acceptance with the Secretary within ten days after being notified of such selection.

§ 901.29 Vacancies. To fill any vacancy occasioned by the failure of any person selected as a committee member or as an alternate to qualify, or in the event of the death, removal, resignation, or disqualification of any qualified member or alternate, a successor for his unexpired term may be selected from nominations made in the manner specified in § 901.26, or the Secretary may select such committee member or alternate from previously unselected nominees on the current nominee list from the district involved. If the names of nominees to fill any such vacancy are not made available to the Secretary within 30 days after such vacancy occurs, such vacancy may be filled without regard to nominations, which selection shall be made on the basis of the representation provided for in § 901.25.

§ 901.30 Alternate members. An alternate member of the committee shall act in the place and stead of the member for whom he is an alternate, during

such member's absence. In the event of the death, removal, resignation, or disqualification of a member, his alternate shall act for him until a successor of such member is selected and has qualified.

§ 901.31 Procedure. (a) Five of the seven committee members shall be necessary to constitute a quorum and a like number of concurring votes shall be required to pass any motion or approve any committee action.

(b) The committee may provide for meeting by telephone, telegraph, or other means of communication and any vote cast at such a meeting shall be promptly confirmed in writing; *Provided,* That all votes shall be cast in person at assembled meetings.

§ 901.32 Expenses and compensation. Committee members and their respective alternates shall be reimbursed for expenses necessarily incurred by them in the performance of their duties and in the exercise of their powers under this part, and shall receive compensation at a rate to be determined by the committee, which rate shall not exceed \$5.00 for each day, or portion thereof, spent in attending meetings of the committee.

§ 901.33 Powers. The committee shall have the following powers:

(a) To administer the provisions of this part in accordance with its terms;

(b) To make rules and regulations to effectuate the terms and provisions of this part;

(c) To receive, investigate, and report to the Secretary complaints of violation of the provisions of this part; and

(d) To recommend to the Secretary amendments to this part.

§ 901.34 Duties. It shall be the duty of the committee:

(a) At the beginning of each fiscal year, to meet and organize, select a chairman and such other officers as may be necessary, to select subcommittees of committee members, and to adopt such rules and regulations for the conduct of its business as it may deem advisable;

(b) To act as intermediary between the Secretary and any producer or handler;

(c) To furnish to the Secretary such available information as he may request;

(d) To appoint such employees, agents, and representatives as it may deem necessary and to determine the salaries and define the duties of each such person;

(e) To investigate, from time to time, and to assemble data on the growing, harvesting, shipping, and marketing conditions with respect to potatoes, and upon approval of the Secretary, to engage in such research and service activities as may be necessary and incidental to the operation of the marketing agreement and order;

(f) To keep minutes, books, and records which clearly reflect all of the acts and transactions of the committee and such minutes, books, and records shall be subject to examination at any time by the Secretary or his authorized agent or representative;

(g) To make available to producers and handlers the committee voting rec-

ord on recommended regulations and on other matters of policy;

(h) At the beginning of each fiscal year, to prepare a budget of its expenses for such fiscal year, together with a report thereon;

(i) To cause the books of the committee to be audited by a competent accountant at least once each fiscal year, and at such other time as the committee may deem necessary or as the Secretary may request. The report of such audit shall show the receipt and expenditure of funds collected pursuant to this part; a copy of each such report shall be furnished to the Secretary and a copy of each such report shall be made available at the principal office of the committee for inspection by producers and handlers; and

(j) To consult, cooperate, and exchange information with other potato marketing committees and other individuals or agencies in connection with all proper committee activities and objectives under this part.

BUDGET, EXPENSES AND ASSESSMENTS

§ 901.40 *Budget.* The committee shall prepare a budget for each fiscal year showing its anticipated expenses and a proposed rate of assessment to cover such expenses. The committee shall transmit such budget to the Secretary, together with a report showing the basis for its calculation of expenses and the proposed rate of assessment.

§ 901.41 *Expenses.* The committee is authorized to incur such expenses as the Secretary, upon the basis of the aforesaid budget and other available information, finds may be necessary during each fiscal year to perform its functions under this part and for such other purposes as may be appropriate pursuant to the provisions of this part.

§ 901.42 *Rate of assessment.* The funds to cover such expenses shall be acquired by the levying on handlers of assessments. The assessment rate shall be fixed by the Secretary upon the basis of the committee recommendation and other available information applicable thereto. Each handler who first ships potatoes shall pay assessments to the committee, upon demand, which will be appropriately incurred by the committee during each fiscal year. Such handler's share of such expense shall be proportionate to the ratio between the total quantity of potatoes handled by him as the first handler thereof, during the applicable fiscal year, and the total quantity of potatoes handled by all handlers as the first handlers thereof, during the same fiscal year.

§ 901.43 *Increasing rate of assessment.* Upon recommendation of the committee, or on the basis of a later finding relative to the committee's expenses or revenue, the Secretary may increase the rate of assessment to cover expenses which shall be appropriately incurred. Such increase shall be applicable to all potatoes handled during the given fiscal year.

§ 901.44 *Refunds.* If at the end of a fiscal year, it shall appear that assessments collected are in excess of expenses

incurred, each handler entitled to a proportionate refund of the excess assessments shall be credited with such refund against the operations of the following fiscal year, unless he demands payment thereof, in which event such proportionate refund shall be paid to him.

§ 901.45 *Accounting.* All funds received by the committee pursuant to any provision of this part shall be used solely for the purposes specified in this part and shall be accounted for in the following manner:

(a) The Secretary may at any time require the committee and its members to account for all receipts and disbursements; and

(b) Whenever any person ceases to be a committee member or alternate, he shall account for all receipts and disbursements and deliver all property and funds in his hands, together with all books and records in his possession, to his successor in office or to such person as the Secretary may designate, and shall execute such assignments and other instruments as may be necessary or appropriate to vest in such successor, or in such designated person, the right to all the property, funds, or claims vested in such member or alternate.

§ 901.46 *Collection of funds.* (a) The committee may, with the approval of the Secretary, maintain in its own name or in the name of its members, a suit against any handler for the collection of such handler's pro rata share of the expenses of the committee.

(b) In order to provide funds to carry out the functions of the committee, handlers may make advance payment of assessments.

REGULATION

§ 901.50 *Marketing policy preparation.* At the beginning of each fiscal year the committee shall consider and prepare a proposed policy for the marketing of potatoes during such fiscal year. In developing its marketing policy the committee shall investigate relevant supply and demand conditions for potatoes. In such investigations the committee shall give appropriate consideration to the following:

(a) Market prices for potatoes, including prices by grade, size, and quality, in wholesale or in consumer packs, or any other shipping unit;

(b) Supply of potatoes, by grade, size, and quality, in the production area and in other production areas;

(c) The trend and level of consumer income; and

(d) Other relevant factors.

§ 901.51 *Marketing policy report.* (a) The committee shall submit to the Secretary a report setting forth the aforesaid marketing policy; a copy of such report shall be made available to producers and handlers.

(b) In the event it becomes advisable to deviate from such marketing policy, because of changed supply and demand conditions, the committee shall formulate a new marketing policy in the manner outlined in § 901.50. The committee shall submit a report on such new marketing policy to the Secretary and

make a copy thereof available to producers and handlers.

§ 901.52 *Recommendation for regulation.* (a) The committee shall recommend regulation to the Secretary whenever it finds that such regulation, as provided in § 901.53, will tend to effectuate the declared policy of the act.

(b) The committee also may recommend modification, suspension, or termination of any regulation in order to facilitate shipments of potatoes for the specified purposes set forth in § 901.54.

§ 901.53 *Issuance of regulations.* The Secretary shall limit the shipment of potatoes whenever he finds, from the recommendations and information submitted by the committee or from other available information, that such regulation would tend to effectuate the declared policy of the act. Such limitations may:

(a) Regulate, in any or all portions of the production area, the shipment of particular grades, sizes, or qualities of any or all varieties of potatoes during any period; or

(b) Regulate the shipment of particular grades, sizes, or qualities of potatoes differently, for different varieties, for different portions of the production area, for consumer or wholesale packs, or any combination of the foregoing during any period; or

(c) Regulate the shipment of potatoes by establishing, in terms of grades, sizes, or both, minimum standards of quality and maturity.

§ 901.54 *Modification, suspension, or termination.* Upon the basis of the recommendation and information submitted by the committee, or other available information, the Secretary shall modify, suspend, or terminate regulations issued pursuant to §§ 901.42, 901.43, 901.53, 901.55, or any combination thereof, in order to facilitate shipments of potatoes for the following purposes, whenever he finds that it will tend to effectuate the declared policy of the act:

(a) For seed;

(b) For export;

(c) For distribution by the Federal government;

(d) For manufacture or conversion into specified products;

(e) For livestock feed; and

(f) For other purposes which may be specified.

§ 901.55 *Minimum quantity regulation.* The Secretary may establish, upon the basis of a committee recommendation, or other available information, for any or all portions of the production area, minimum quantities below which shipments will be free from regulations issued pursuant to §§ 901.42, 901.43, 901.53, 901.55, or any combination thereof.

§ 901.56 *Notification of regulation.* The Secretary shall notify the committee of any regulations issued, or of any modification, suspension, or termination thereof. The committee shall give reasonable notice thereof to handlers.

§ 901.57 *Safeguards.* (a) The committee may recommend and the Secretary, upon the basis of such recom-

mendation, or other available information, may prescribe adequate safeguards to prevent shipments pursuant to § 901.54 and § 901.55 from entering channels of trade for other than the specific purpose authorized therefor, and rules governing the issuance and the contents of Certificates of Privilege if such certificates are prescribed as safeguards. Such safeguards may include requirements that:

(1) Handlers shall file applications with the committee to ship potatoes pursuant to § 901.54 and § 901.55;

(2) Handlers shall obtain inspection provided by § 901.65, or pay the pro rata share of expenses provided by § 901.42, or both, in connection with potato shipments effected under the provisions of § 901.54 and § 901.55: *Provided*, That such inspection or payment of expenses may be required at different times than otherwise specified by the aforesaid sections; and

(3) Handlers shall obtain Certificates of Privilege from the committee for shipments of potatoes effected or to be effected under the provisions of § 901.54 and § 901.55.

(b) The committee may rescind or deny Certificates of Privilege to any handler if proof is obtained that potatoes shipped by him for the purposes stated in § 901.54 were handled contrary to the requirements applicable thereto.

(c) The Secretary shall have the right to modify, change, alter, or rescind any safeguards prescribed and any certificates issued by the committee pursuant to the provisions of this section.

(d) The committee shall make reports to the Secretary, as requested, showing the number of applications for such certificates, the quantity of potatoes covered by such applications, the number of such applications denied and certificates granted, the quantity of potatoes shipped under duly issued certificates, and such other information as may be requested.

INSPECTION

§ 901.65 *Inspection and certification.* During any period in which shipments of potatoes are regulated pursuant to the provisions of §§ 901.42, 901.43, 901.53, or any combination thereof, no handler shall ship potatoes unless, prior thereto, such shipment was inspected by an authorized representative of the Federal-State Inspection Service. Each handler procuring inspections pursuant to this section shall make arrangements with the inspecting agency to forward promptly to the committee a copy of the inspection certificate; *Provided, however*, That the regrading, resorting, repacking, or other further preparation of inspected potatoes for market shall invalidate prior inspection thereon and subsequent shipment of such regraded, resorted, repacked, or potatoes otherwise prepared for market shall not be effected unless, prior thereto, such shipment is inspected as provided in this section.

EXEMPTIONS

§ 901.70 *Procedure.* The committee may adopt, with approval of the Secretary, the procedures pursuant to which certificates of exemption will be issued to producers.

§ 901.71 *Granting exemptions.* The committee may issue certificates of exemption to any producer who applies for such exemption and furnishes adequate evidence to the committee that, by reason of a regulation issued pursuant to § 901.53, he will be prevented from handling, or causing to be handled, as large a proportion of his production as the average proportion of production handled, or caused to be handled, during the entire season (or such portion thereof as may be determined by the committee) by all producers in said applicant's immediate area of production, and that the grade, size, or quality of the applicant's potatoes have been adversely affected by acts beyond the applicant's control and by acts beyond reasonable expectation. Each certificate shall permit the producer to handle, or cause to be handled, the amount of potatoes specified thereon. Such certificate shall be transferred with such potatoes at the time of transportation or sale. The committee shall be permitted, at any time, to make a thorough investigation of any producer's claim pertaining to exemptions.

§ 901.72 *Appeal.* If any applicant for exemption certificates is dissatisfied with the determination by the committee with respect to his application, said applicant may file an appeal with the committee. Such an appeal must be taken promptly after the determination by the committee from which the appeal is taken. Any applicant filing an appeal shall furnish evidence satisfactory to the committee for a determination on the appeal. The committee shall thereupon reconsider the application, examine all available evidence, and make a final determination concerning the application. The committee shall notify the appellant of the final determination, and shall furnish the Secretary with a copy of the appeal and a statement of considerations involved in making the final determination.

§ 901.73 *Records and reports.* The committee shall maintain a record of all applications submitted for exemption certificates, a record of all exemption certificates issued and denied, the quantity of potatoes covered by such exemption certificates, a record of the amount of potatoes handled under exemption certificates, a record of appeals for reconsideration of applications, and such other information as may be requested by the Secretary. Periodic reports on such records shall be compiled and issued by the committee upon request of the Secretary.

MISCELLANEOUS PROVISIONS

§ 901.80 *Reports.* Upon the request of the committee, with approval of the Secretary, every handler shall furnish to the committee, in such manner and at such time as may be prescribed, such information as will enable the committee to exercise its powers and perform its duties under this part. Handlers shall maintain records from which such reported information can be verified by the committee. The Secretary shall have the right to modify, change, or rescind any

requests for reports made pursuant to this section.

§ 901.81 *Compliance.* Except as provided in this part, no handler shall ship potatoes, the shipment of which has been prohibited by the Secretary in accordance with provisions of this part, and no handler shall ship potatoes except in conformity to the provisions of this part.

§ 901.82 *Right of the Secretary.* The members of the committee (including successors and alternates), and any agent or employee appointed or employed by the committee, shall be subject to removal or suspension by the Secretary at any time. Each and every order, regulation, decision, determination or other act of the committee shall be subject to the continuing right of the Secretary to disapprove of the same at any time. Upon such disapproval, the disapproved action of the said committee shall be deemed null and void, except as to acts done in reliance thereon or in compliance therewith prior to such disapproval by the Secretary.

§ 901.83 *Effective time.* The provisions of this subpart shall become effective at such time as the Secretary may declare and shall continue in force until terminated in one of the ways hereinafter specified.

§ 901.84 *Termination.* (a) The Secretary may, at any time, terminate the provisions of this subpart by giving at least one day's notice by means of a press release or in any other manner which he may determine.

(b) The Secretary may terminate or suspend the operation of any or all of the provisions of this subpart whenever he finds that such provisions do not tend to effectuate the declared policy of the act.

(c) The Secretary shall terminate the provisions of this subpart at the end of any fiscal year whenever he finds that such termination is favored by a majority of producers, who, during the preceding fiscal year, have been engaged in the production for market of potatoes: *Provided*, That such majority has, during such year, produced for market more than fifty percent of the volume of such potatoes produced for market; but such determination shall be effective only if announced on or before November 30 of the current fiscal year.

(d) The provisions of this subpart shall, in any event, terminate whenever the provisions of the act authorizing them cease to be in effect.

§ 901.85 *Proceedings after termination.* (a) Upon the termination of the provisions of this subpart, the then functioning members of the committee shall continue as trustees, for the purpose of liquidating the affairs of the committee, of all the funds and property then in the possession of, or under control of, the committee, including claims for any funds unpaid or property not delivered at the time of such termination. Action by said trusteeship shall require the concurrence of a majority of the said trustees.

(b) The said trustees shall continue in such capacity until discharged by the Secretary; shall, from time to time, ac-

count for all receipts and disbursements and deliver all property on hand, together with all books and records of the committee and of the trustees, to such person as the Secretary may direct; and shall, upon request of the Secretary, execute such assignments or other instruments necessary or appropriate to vest in such person full title and right to all of the funds, property, and claims vested in the committee or the trustees pursuant to this subpart.

(c) Any person to whom funds, property, or claims have been transferred or delivered by the committee or its members, pursuant to this section, shall be subject to the same obligations imposed upon the members of the committee and upon the said trustees.

§ 901.86 Effect of termination or amendment. Unless otherwise expressly provided by the Secretary, the termination of this subpart, or of any regulation issued pursuant to this subpart, or the issuance of any amendments to either thereof, shall not (a) affect or waive any right, duty, obligation, or liability which shall have arisen or which may thereafter arise in connection with any provision of this subpart or any regulation issued under this subpart, or (b) release or extinguish any violation of this subpart or of any regulations issued under this subpart, or (c) affect or impair any rights or remedies of the Secretary or of any other person with respect to any such violation.

§ 901.87 Duration of immunities. The benefits, privileges, and immunities conferred upon any person by virtue of this subpart shall cease upon the termination of this subpart, except with respect to acts done under and during the existence of this subpart.

§ 901.88 Agents. The Secretary may, by designation in writing, name any person, including any officer or employee of the Government, or name any bureau or division in the United States Department of Agriculture, to act as his agent or representative in connection with any of the provisions of this subpart.

§ 901.89 Derogation. Nothing contained in this subpart is, or shall be construed to be in derogation or in modification of the rights of the Secretary or of the United States to exercise any powers granted by the act or otherwise, or, in accordance with such powers, to act in the premises whenever such action is deemed advisable.

§ 901.90 Personal liability. No member or alternate member of the committee, nor any employee or agent thereof, shall be held personally responsible, either individually or jointly with others, in any way whatsoever, to any handler or to any person for errors in judgment, mistakes, or other acts, either of commission or omission, as such member, alternate, agent, or employee, except for acts of dishonesty.

§ 901.91 Separability. If any provision of this subpart is declared invalid, or the applicability thereof to any person, circumstance, or thing is held invalid, the validity of the remainder of this subpart, or the applicability of this

subpart to any other person, circumstance, or thing, shall not be affected thereby.

§ 901.92 Amendments. Amendments to this subpart may be proposed, from time to time, by the committee or by the Secretary.

[P. R. Doc. 50-3798; Filed May 4, 1950; 8:49 a. m.]

[7 CFR, Part 901]

[Docket No. AO-267]

HANDLING OF IRISH POTATOES GROWN IN DELAWARE AND CERTAIN DESIGNATED COUNTIES IN MARYLAND

ORDER DIRECTING THAT REFERENDUM BE CONDUCTED AMONG PRODUCERS; DESIGNATION OF AGENTS TO CONDUCT SUCH REFERENDUM; AND DETERMINATION OF REPRESENTATIVE PERIOD

Pursuant to the applicable provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U. S. C. 601 et seq.; 61 Stat. 202, 707; 62 Stat. 1247; 63 Stat. 1051), it is hereby directed that a referendum be conducted among producers in the State of Delaware and the Counties of Worcester, Somerset, Wicomico, Dorchester, Talbot, Caroline, Queen Annes, Kent, and Cecil in the State of Maryland who, during the 1949 crop year (which period for the purpose of such referendum is hereby determined to be (1) the period January 1, 1949, to December 31, 1949, and (2) a representative period) were engaged, in the aforesaid production area in the production of Irish potatoes for market, to determine whether such producers favor the issuance of an order regulating the handling of Irish potatoes grown in Delaware and the aforesaid designated counties in Maryland. The order on which the referendum is to be conducted is annexed to the decision¹ of the Secretary of Agriculture filed simultaneously herewith.

A. C. Cook, R. P. Callaway, and R. L. Hawes, of the Fruit and Vegetable Branch, Production and Marketing Administration, United States Department of Agriculture, are hereby designated as agents of the Secretary of Agriculture to perform, jointly or severally, the following functions in connection with such referendum:

(a) Conduct said referendum in the manner herein prescribed:

(1) By giving opportunity to each of the aforesaid producers to cast his ballot, in the manner herein authorized, relative to the aforesaid order, on forms furnished by the Department of Agriculture. A cooperative association of producers, bona fide engaged in marketing potatoes grown in the State of Delaware and the counties of Worcester, Somerset, Wicomico, Dorchester, Talbot, Caroline, Queen Annes, Kent, and Cecil in the State of Maryland, or in rendering services for or advancing the interests of producers of such potatoes, may vote for the producers who are members of, stockholders in, or under contract with

such cooperative association (such vote to be cast on a copy of the appropriate ballot form), and the vote of such cooperative association shall be considered as the vote of such producers.

(2) By giving public notice, as prescribed in (a) (3) hereof, (i) of the time determined by such agents during which the referendum will be conducted; (ii) that any ballot may be cast by mail; (iii) that all ballots so cast must be addressed to R. P. Callaway, c/o Chairman, Wicomico County PMA Committee, Box 1109, Salisbury, Maryland; and (iv) of the time prior to which such ballots must be postmarked.

(3) By giving public notice (i) by utilizing available agencies of public information (without advertising expense), including both press and radio facilities in Delaware and Maryland; (ii) by mailing a notice thereof (including a copy of the appropriate ballot form) to each producer, and to each cooperative marketing association, whose name and address is known to such agents; and (iii) by such other means as said referendum agents may deem advisable.

(4) By conducting meetings of producers and arranging for balloting at the meeting places, if said referendum agents determine that voting shall be at meetings. At each such meeting, balloting shall continue until all of the producers who are present, and who desire to do so, have had an opportunity to vote. Any producer may cast his ballot at any such meeting in lieu of voting by mail.

(5) By giving ballots to producers at the meeting; and receiving any ballots when they are cast.

(6) By securing the name and address of each person casting a ballot, and inquiring into the eligibility of such person to vote in the referendum.

(7) By giving public notice of the time and place of any meetings authorized hereunder by posting a notice thereof, at least two days in advance of each such meeting, at each such meeting place, and in two or more public places within the applicable area; and, so far as practicable by giving additional notice in the manner prescribed in paragraph (a) (3) hereof.

(8) By forwarding to the Director, Fruit and Vegetable Branch, Production and Marketing Administration, Washington 25, D. C., immediately after the close of the referendum, the following: (i) A register containing the name and address of each producer to whom a ballot form was given; (ii) a register containing the name and address of each producer and each cooperative association of producers from whom an executed ballot was received; (iii) all of the ballots received by the respective referendum agent in connection with the referendum, together with a certificate to the effect that the ballots forwarded are all of the ballots cast and which were received by the respective agent during the referendum period; (iv) a statement showing when and where each notice of referendum was posted and the mailing list showing the names and addresses to which the notice was mailed and the time of such mailing; and (v) a detailed statement indicating the

¹ See P. R. Doc. 50-3798, *supra*.

method used in giving publicity to such referendum.

(9) By appointing any county agricultural agent, and by authorizing the chairmen of the State Production and Marketing Administration committees in the States of Delaware and Maryland to appoint any member or members of a county Production and Marketing Administration committee in the States of Delaware and Maryland and by appointing any other persons deemed necessary or desirable, to assist the said referendum agents in performing their duties hereunder. Each such person so appointed shall serve without compensation and may be authorized by the said referendum agents to perform any or all of the functions set forth in paragraphs (a) (5), (6), (7), and (8) hereof in accordance with the requirements herein set forth (which, in the absence of such appointment of sub-agents, shall be performed by said agents).

(b) Upon receipt by the referendum agents, of all ballots cast in accordance with the provisions hereof, and such other information and data as may be required pursuant hereto, they shall forward the ballots, together with the information and data, to the Fruit and Vegetable Branch, Production and Marketing Administration, United States Department of Agriculture, Washington 25, D. C. The Fruit and Vegetable Branch shall canvass the ballots and prepare and submit to the Secretary a detailed report covering the results of the referendum, the manner in which the referendum was conducted, the extent and kind of public notice given, and all other information pertinent to the full analysis of the referendum and its results.

(c) Each referendum agent and appointee pursuant hereto shall not refuse to accept a ballot submitted or cast; but should they, or any of them, deem that a ballot should be challenged for any reason, or if such ballot is challenged by any other person, said agent or appointee shall endorse above his signature, on the back of said ballot, a statement that such ballot was challenged, by whom challenged, and the reasons therefor; and the number of such challenged ballots shall be stated when they are forwarded as provided herein.

(d) All ballots shall be treated as confidential.

The Director of the Fruit and Vegetable Branch, Production and Marketing Administration, United States Department of Agriculture is hereby authorized to prescribe additional instructions, not inconsistent with the provisions hereof, to govern the procedure to be followed by the said referendum agents and appointees in conducting said referendum.

Copies of the aforesaid marketing order may be examined in the Office of the Hearing Clerk, United States Department of Agriculture, Washington, D. C., and at the county Production and Marketing Administration Office in each of the counties in the State of Delaware and in the aforesaid designated counties in the State of Maryland.

Ballots to be cast in the referendum may be obtained from any referendum agent, and any appointee hereunder.

Done at Washington, D. C., this 2d day of May 1950.

[SEAL]

CHARLES F. BRANNAN,
Secretary of Agriculture.

[F. R. Doc. 50-3838; Filed, May 4, 1950;
8:49 a. m.]

FEDERAL COMMUNICATIONS COMMISSION

[47 CFR, Part 3]

[Docket Nos. 8736, 8976, 9175]

TELEVISION BROADCAST SERVICE

NOTICE OF DEMONSTRATION BY COLOR
TELEVISION, INC.

In the matters of amendment of § 3.606 of the Commission's rules and regulations, Docket Nos. 8736 and 8976; amendment of the Commission's rules, regulations and engineering standards concerning the television broadcast service, Docket No. 9175; utilization of frequencies in the Band 470 to 890 Mcs. for television broadcasting, Docket No. 8976.

1. On March 29, 1950, the Commission, by letter, advised Color Television, Inc. (CTI), that the Commission was prepared to view a demonstration of CTI's

proposed color television system upon receiving written assurances that since its prior demonstrations it has effected a significant improvement in the performance of its system in color and in black-and-white reception. By letter, dated April 24, 1950, counsel for CTI advised the Commission as follows:

I am today directed by Mr. Arthur S. Matthews, President of Color Television, Incorporated, to respond to your letter and to offer to the Commission "written assurance" in the name of his company to the effect that it has effected a significant improvement in the performance of its system of color television in color and in black and white reception. In this connection, Mr. Matthews has requested me to state that: (1) The proposed "horizontal shift" has been installed and is operating adequately and satisfactorily in actual test; (2) that the horizontal shift operation in itself represents a marked improvement over the "vertical shift" used in the demonstrations held in Washington, D. C.; (3) that tests made over the air by the use of the KPIX transmitter at San Francisco disclose that, as was expected, a slight line "jitter" claimed to have been at times visible in black and white reception of the CTI color transmission, when the "vertical shift" was used, has apparently wholly disappeared; (4) that these tests have been made upon a number of black and white receivers of diverse makes, and by a number of different persons, both in the CTI studio and at other points in the San Francisco Bay region, and (5) that it is confidently believed that any asserted element of "incompatibility" in the CTI system operation as a result of any such alleged line "jitter" has been eliminated.

2. In view of the foregoing assurances, the Commission will view a demonstration of the color television system proposed by CTI in the above proceedings in San Francisco, California, during the morning of May 17, 1950. The exact place of such demonstration will be announced at an early date.

Adopted: May 2, 1950.

Released: May 2, 1950.

FEDERAL COMMUNICATIONS
COMMISSION,

[SEAL] T. J. SLOWIE,
Secretary.

[F. R. Doc. 50-3826; Filed, May 4, 1950;
8:48 a. m.]

NOTICES

[Order No. 42983]

Assignment of Duties and Delegation of Authority to the Deputy Postmaster General

Pursuant to authority of Reorganization Plan No. 3 of 1949, It is hereby ordered, That:

The Deputy Postmaster General shall serve as the deputy of the Postmaster General in all matters affecting the Post Office Department and Postal Service. He is hereby delegated the responsibility for assuring that the management of the Post Office Department and Postal Service is properly conducted. This re-

POST OFFICE DEPARTMENT

[Order Nos. 42988, 42989, 42990]

REORGANIZATION OF POST OFFICE
DEPARTMENT

ASSIGNMENT OF DUTIES AND DELEGATION OF AUTHORITY TO DEPUTY POSTMASTER GENERAL; ESTABLISHMENT OF BUREAU OF FACILITIES, BUREAU OF POST OFFICE OPERATIONS, BUREAU OF TRANSPORTATION, AND BUREAU OF FINANCE; ASSIGNMENT OF ASSISTANT POSTMASTERS GENERAL

APRIL 24, 1950.

The following are orders issued by the Postmaster General under date of April 24, 1950:

sponsibility of the Deputy Postmaster General shall include the general supervision of matters of organization, administrative procedures, utilization of personnel, materials and facilities, formulation of policies of the Post Office Department and Postal Service, and the budgeting and expenditure of funds. He shall serve as chairman of the Postmaster General's Staff, and shall perform such other duties as the Postmaster General shall assign to him.

This order shall be effective as of the date thereof.

[Order No. 42989]

Establishment of a Bureau of Facilities, a Bureau of Post Office Operations, a Bureau of Transportation, and a Bureau of Finance; Assignment of Duties and Delegation of Authority.

Pursuant to authority of Reorganization Plan No. 3 of 1949, *It is hereby ordered*, That, effective as of the date of this order:

(a) There are hereby established in the Post Office Department a Bureau of Facilities, a Bureau of Post Office Operations, a Bureau of Transportation, and a Bureau of Finance. Each of said bureaus shall be under the general supervision of an Assistant Postmaster General.

(b) Subject to the provisions of Order No. 42988 of April 24, 1950, the authority and functions vested by acts of Congress and by subsection (d) of Order No. 41307 of August 20, 1949, in Assistant Postmaster General Walter Myers are hereby transferred to the Assistant Postmaster General in charge of the Bureau of Facilities. There are also transferred to the Assistant Postmaster General in charge of the Bureau of Facilities, for use in connection with the functions so transferred, the officers and employees, agencies, records, property, and unexpended balances of appropriations, allocations and other funds (available or to be made available) of Assistant Postmaster General Walter Myers. The authority and functions heretofore exercised and performed by agencies, subordinate officers, and employees of Assistant Postmaster General Walter Myers, under authority of acts of Congress and regulations and instructions of the Postmaster General, in force and effect on the date of this order, shall continue to be exercised and performed by such agencies, subordinate officers, and employees hereby transferred to the Assistant Postmaster General in charge of the Bureau of Facilities.

Subsection (d) of Order No. 41307, dated August 20, 1949, is hereby amended accordingly.

(c) Subject to the provisions of Order No. 42988 of April 24, 1950, the authority and functions vested by acts of Congress and by subsection (a) of Order No. 41307 of August 20, 1949, as amended by Order No. 41762 of October 21, 1949, in the Deputy Postmaster General are hereby transferred to the Assistant Postmaster General in charge of the Bureau of Post Office Operations. There are also transferred to the Assistant Postmaster General in charge of the Bureau of Post Office Operations, for use in connection with the functions so transferred, the officers and employees, agencies, records, property, and unexpended balances of appropriations, allocations and other funds (available or to be made available) of the Deputy Postmaster General. The authority and functions heretofore exercised and performed by agencies, subordinate officers, and employees of the Deputy Postmaster General, under authority of acts of Congress and regulations and instructions of the Postmaster General, in force and effect on the date of this order, shall continue to be exercised and performed by such agencies,

subordinate officers, and employees hereby transferred to the Assistant Postmaster General in charge of the Bureau of Post Office Operations.

Subsection (a) of Order No. 41307, dated August 20, 1949, as amended by Order No. 41762, dated October 21, 1949, is hereby amended accordingly.

(d) Subject to the provisions of Order No. 42988 of April 24, 1950, the authority and functions vested by acts of Congress and by subsection (b) of Order No. 41307, dated August 20, 1949, in Assistant Postmaster General Paul Aiken, are hereby transferred to the Assistant Postmaster General in charge of the Bureau of Transportation. There are also transferred to the Assistant Postmaster General in charge of the Bureau of Transportation, for use in connection with the functions so transferred, the officers and employees, agencies, records, property, and unexpended balances of appropriations, allocations, and other funds (available or to be made available) of Assistant Postmaster General Paul Aiken. The authority and functions heretofore exercised and performed by agencies, subordinate officers, and employees of Assistant Postmaster General Paul Aiken, under authority of acts of Congress and regulations and instructions of the Postmaster General, in force and effect on the date of this order, shall continue to be exercised and performed by such agencies, subordinate officers, and employees hereby transferred to the Assistant Postmaster General in charge of the Bureau of Transportation.

Subsection (b) of Order No. 41307, dated August 20, 1949, is hereby amended accordingly.

(e) Subject to the provisions of Order No. 42988 of April 24, 1950, the authority and functions vested by acts of Congress and by subsection (c) of Order No. 41307 of August 20, 1949, in Assistant Postmaster General Joseph J. Lawler are hereby transferred to the Assistant Postmaster General in charge of the Bureau of Finance. There are also transferred to the Assistant Postmaster General in charge of the Bureau of Finance, for use in connection with the functions so transferred, the officers and employees, agencies, records, property, and unexpended balances of appropriations, allocations and other funds (available or to be made available) of Assistant Postmaster General Joseph J. Lawler. The authority and functions heretofore exercised and performed by agencies, subordinate officers, and employees of Assistant Postmaster General Joseph J. Lawler, under authority of acts of Congress and regulations and instructions of the Postmaster General, in force and effect on the date of this order, shall continue to be exercised and performed by such agencies, subordinate officers, and employees hereby transferred to the Assistant Postmaster General in charge of the Bureau of Finance.

Subsection (c) of Order No. 41307, dated August 20, 1949, is hereby amended accordingly.

(f) All instructions and orders issued by any officer or employee of the Post Office Department or the Postal Service, in force and effect on the date of this order, are hereby continued in force and

effect until modified or revoked by the person authorized to perform the function of such officer or employee with respect to the modification or revocation of such instructions or orders.

[Order No. 42990]

Assignment of Assistant Postmasters General

Pursuant to authority of Reorganization Plan No. 3 of 1949:

(a) Walter Myers is hereby assigned as the Assistant Postmaster General in charge of the Bureau of Facilities;

(b) Joseph J. Lawler is hereby assigned as the Assistant Postmaster General in charge of the Bureau of Post Office Operations;

(c) Paul Aiken is hereby assigned as the Assistant Postmaster General in charge of the Bureau of Transportation; and

(d) Osborne A. Pearson is hereby assigned as the Assistant Postmaster General in charge of the Bureau of Finance.

The assignments shall be effective as of the date of this order.

[SEAL]

J. M. DONALDSON,
Postmaster General.

[F. R. Doc. 50-3808; Filed, May 4, 1950;
8:46 a. m.]

FEDERAL COMMUNICATIONS COMMISSION

[Docket No. 9303]

SOUTHERN RADIO AND EQUIPMENT CO.
(WOBS)

ORDER CONTINUING HEARING

In the matter of Southern Radio and Equipment Company (WOBS), Jacksonville, Florida, Docket No. 9303, File No. BMP-3699, for modification of construction permit.

The Commission having under consideration a petition filed April 25, 1950, requesting a continuance for seventy days of the hearing in the above-entitled case, presently scheduled to commence May 5, 1950; and

It appearing, that there are no other parties to the proceeding, that no objection to the requested continuance has been filed with the Commission, and that no one will be adversely affected by a grant of the petition;

It is ordered, This 28th day of April 1950, that the petition be, and it is hereby granted and that the hearing presently scheduled to commence May 5, 1950, be, and it is hereby continued to July 24, 1950.

FEDERAL COMMUNICATIONS
COMMISSION,

[SEAL]

T. J. SLOWIE,
Secretary.

[F. R. Doc. 50-3824; Filed, May 4, 1950;
8:48 a. m.]

[Docket Nos. 9503, 9504]

WORLD WIDE BROADCASTING CORP. ET AL.

ORDER CONTINUING HEARING

In re applications of World Wide Broadcasting Corporation, Scituate,

Massachusetts, Docket No. 9503, File Nos. BRIB-23, BRIB-12, BRIB-16, BRIB-26, BRIB-24, for renewal of licenses of stations WRUS, WRUL, WRUW, WRUX, and WRUA; World Wide Broadcasting Corporation (WRUW), Docket No. 9504, File No. PIB-63, for construction permit.

The Commission having under consideration a petition filed by applicants April 20, 1950, requesting a continuance of the hearing in the above-entitled case, presently scheduled to commence May 16, 1950; and

It appearing from the petition and from a supplemental letter from applicant's counsel dated April 24, 1950, that all parties to the proceeding, including Commission counsel, have agreed that August 15, 1950, is a suitable date for the commencement of the hearing; and

It is ordered, This 28th day of April 1950 that the petition be, and it is hereby granted, and the hearing presently scheduled to commence May 16, 1950, at Boston, Massachusetts, is continued to August 15, 1950.

FEDERAL COMMUNICATIONS
COMMISSION,

[SEAL] T. J. SLOWIE,
Secretary.

[F. R. Doc. 50-3825; Filed, May 4, 1950;
8:48 a. m.]

[Docket Nos. 9556, 9557]

NARRAGANSETT BROADCASTING CO. (WALE)
AND BAY STATE BROADCASTING CO.

ORDER CONTINUING HEARING

In re applications of Narragansett Broadcasting Company (WALE), Fall River, Massachusetts, Docket No. 9556, File No. BR-2076, for renewal of license; Bay State Broadcasting Company, Fall River, Massachusetts, Docket No. 9557, File No. BP-7315, for construction permit.

The Commission having under consideration a motion for continuance filed April 27, 1950, by Narragansett Broadcasting Company, Fall River, Massachusetts, together with the oral argument held thereon April 28, 1950, and the letter of Bay State Broadcasting Company, filed on April 27, 1950, requesting withdrawal of its motion for continuance in this proceeding filed on April 17, 1950; and

It appearing, that Narragansett Broadcasting Company requests that the hearing herein scheduled for May 8, 1950, at Fall River, Massachusetts, be continued for the reason that counsel for it is counsel in another hearing to be held on May 15, 1950, at Lima, Ohio, and preparation for such hearing will require his presence at the latter place for the greater portion of the week preceding May 15; and

It further appearing, that the conflict in hearing dates exists because of a misunderstanding on the part of counsel and that to hold the hearing in Fall River, Massachusetts, on May 8, as now scheduled, would constitute an undue hardship; and

It further appearing, that no opposition to the petition for continuance has been filed and the parties and the general counsel have agreed to a waiver of

the requirements of § 1.745 of the Commission's rules and regulations;

It is ordered, This 28th day of April 1950 that the motion for continuance filed by Bay State Broadcasting Company is dismissed, at its own request, and the motion of Narragansett Broadcasting Company for continuance of the hearing in this proceeding now scheduled for May 8, 1950 at Fall River, Massachusetts, be, and the same is hereby, granted, and the hearing is hereby continued to July 10, 1950.

FEDERAL COMMUNICATIONS
COMMISSION,

[SEAL] T. J. SLOWIE,
Secretary.

[F. R. Doc. 50-3823; Filed, May 4, 1950;
8:48 a. m.]

[Docket Nos. 9561, 9562]

LOUIS WASMER AND CASCADE BROADCASTING
CO., INC.

ORDER CONTINUING HEARING

In re applications of Louis Wasmer, Pascoe, Washington, Docket No. 9561, File No. BP-7337; Cascade Broadcasting Company, Inc., Richland, Washington, Docket No. 9562, File No. BP-7374; for construction permits.

The Commission having under consideration a petition filed April 21, 1950, by Cascade Broadcasting Company, Inc., Richland, Washington, requesting that the hearing in the above-entitled matter now scheduled for May 22, 1950, in Washington, D. C., be continued for a period of at least sixty (60) days or to a date thereafter as may be convenient to the Hearing Examiner;

It appearing, that parties to the proceeding and Commission Counsel have been served with notice of the filing of said petition; that the time within which opposition thereto might have been filed has expired, and no opposition has been filed; and that good and sufficient cause for the requested continuance has been shown in the petition;

It is ordered, This 28th day of April 1950, that the petition be, and it is hereby, granted; and the hearing in the above-entitled proceeding be, and it is hereby, continued to 10:00 o'clock a. m. Monday, July 24, 1950, in Washington, D. C.

FEDERAL COMMUNICATIONS
COMMISSION,

[SEAL] T. J. SLOWIE,
Secretary.

[F. R. Doc. 50-3822; Filed, May 4, 1950;
8:48 a. m.]

[Docket No. 9588]

ATASCOSA BROADCASTING COMPANY

ORDER CONTINUING HEARING

In the matter of Atascosa Broadcasting Company, Pleasanton, Texas, Docket No. 9586, File No. BP-7189, for construction permit.

The Commission having under consideration a petition, filed April 7, 1950, by the applicant, requesting that the

hearing herein, presently scheduled for May 5, 1950, in Washington, D. C., be continued for a period of thirty days or until such time as the Commission may direct, to provide time for the completion of an engineering study relating to the selection of a new frequency and to provide time for filing a petition for leave to amend the application and for removal of the application, as amended, from the hearing docket; and

It appearing that no opposition to this petition has been filed by the General Counsel and there are no other parties to the proceeding;

It is hereby ordered, This 28th day of April 1950, that the petition be and it is hereby granted and the hearing herein presently scheduled for May 5, 1950, be and it is hereby continued indefinitely.

FEDERAL COMMUNICATIONS
COMMISSION,

[SEAL] T. J. SLOWIE,
Secretary.

[F. R. Doc. 50-3821; Filed, May 4, 1950;
8:48 a. m.]

[Docket No. 9642]

PULITZER PUBLISHING CO. (KSD)

CORRECTED ORDER DESIGNATING APPLICATION
FOR HEARING UPON STATED ISSUES

In re application of The Pulitzer Publishing Company (KSD), St. Louis, Missouri, Docket No. 9642, File No. BP-7486, for construction permit.

At a session of the Federal Communications Commission, held at its offices in Washington, D. C., on the 21st day of April 1950;

The Commission having under consideration the above-entitled application requesting a construction permit to allow the use of Station KSD's old main transmitter for auxiliary purposes with 5 kilowatts power by day and 1 kilowatt power at night;

It appearing, that the applicant is legally, technically, financially, and otherwise qualified to operate Station KSD as proposed but that the application would involve interference to one other existing broadcast station and otherwise not comply with the Commission's rules and Standards of Good Engineering Practice;

It is ordered, That, pursuant to section 309 (a) of the Communications Act of 1934, as amended, the said application is designated for hearing at Washington, D. C., on the 16th day of August 1950, upon the following issues:

1. To determine whether the proposed operation would involve objectionable interference with Station WKRC, Cincinnati, Ohio, or with any other existing broadcasting station and, if so, the nature and extent thereof, the areas and populations affected thereby, and the availability of other broadcast service to such areas and populations.

2. To determine whether the proposed operation would be in compliance with the Commission's rules and Standards of Good Engineering Practice Concerning Standard Broadcast Stations.

It is further ordered, That Radio Cincinnati, Incorporated, licensee of Station

WKRC, Cincinnati, Ohio, be made a party to this proceeding.

FEDERAL COMMUNICATIONS
COMMISSION,

[SEAL] T. J. SLOWIE,
Secretary.

[F. R. Doc. 50-3829; Filed, May 4, 1950;
8:48 a. m.]

FEDERAL POWER COMMISSION

[Docket Nos. G-1175, G-1384]

ATLANTIC SEABOARD CORP. ET AL.

ORDER MAKING TARIFFS EFFECTIVE IN PART,
SUSPENDING TARIFFS IN PART, AND INSTI-
TUTING INVESTIGATION

APRIL 28, 1950.

In the matters of Atlantic Seaboard Corporation and Virginia Gas Transmission Corporation, Docket No. G-1384; Atlantic Seaboard Corporation, Docket No. G-1175.

Atlantic Seaboard Corporation (Atlantic Seaboard) a corporation organized and existing under and by virtue of the laws of the State of Delaware, and Virginia Gas Transmission Corporation (Virginia Gas), a corporation organized and existing under and by virtue of the Commonwealth of Virginia, are engaged in the transportation of natural gas in interstate commerce and in the sale of natural gas for resale for ultimate public consumption. Their combined facilities constitute an integrated system consisting of a continuous 20-inch pipeline extending approximately 420 miles from Boldman, Kentucky, to the Maryland-Pennsylvania state line, and a continuous 26-inch pipeline, approximately 270 miles in length extending from Clendenin, West Virginia, to Rockville, Maryland, where it connects with the 20-inch line. Atlantic Seaboard owns and operates that part of the system which is located in the States of Kentucky, West Virginia and Maryland. Virginia Gas owns and operates that part of the system which is located in the State of Virginia. Both corporations are natural-gas companies within the meaning of the Natural Gas Act. Atlantic Seaboard is the parent company of Virginia Gas and both are parts of The Columbia Gas System, Inc.

The Commission's order issued July 26, 1949, in Docket No. G-1175, authorizing Atlantic Seaboard to serve Consolidated Gas Electrical Light & Power Company of Baltimore, required in Paragraph (E) thereof that Atlantic Seaboard file satisfactory schedules of rates and charges for such service.

On February 20, 1950, March 21, 1950, and April 10, 1950, Atlantic Seaboard and Virginia Gas filed proposed tariffs and six service agreements, identified in Appendix A to this order, pursuant to section 4 of the Natural Gas Act and the Commission's rules and regulations thereunder. Atlantic Seaboard also filed four statements pursuant to § 154.85 of said rules, which statements are also identified in Appendix A to this order, purporting to identify provisions of certain contracts which Atlantic Seaboard proposes shall be continued in effect. Among

other things, Atlantic Seaboard's tariff is intended to meet the requirement of the order issued July 27, 1949, in Docket No. G-1175, as described above.

The tariffs filed by Atlantic Seaboard and Virginia Gas propose changes in presently effective rate schedules. Data

submitted by the companies show that the proposed tariffs would result in the following estimated reductions and increases in charges for firm customers served by Atlantic Seaboard and Virginia Gas based upon 12 months beginning May 1, 1950:

Name of customer	Proposed applicable rate schedule	Amount of change for year
Amer. Gas Utilities Co.	GS-1 ¹	\$12,217 reduction.
Cumberland & Allegheny Gas Co.	CDS-2 ¹	7,495 reduction.
Lynchburg Gas Co.	CDS-1 ¹	14,520 reduction.
Virginia Gas Distribution Corp.	CDS-1 ¹	50,183 reduction.
Washington Gas Light Co.	CDS-1 ¹	348,066 increase.
Washington Gas Light Co. of Maryland	ML-1 ¹	477 increase.
Maryland Counties Gas Co.	CDS-1 ¹	1,237 increase.
Manufacturers Light & Heat Co.	CDS-1 ¹	
Total		265,335 net increase.

¹ Atlantic Seaboard.
² Virginia Gas.

The tariffs filed by Atlantic Seaboard and Virginia Gas also provide for changes in classifications and services, and in rules, regulations and contracts relating thereto. Among such changes, the companies propose to prohibit the use of gas for boiler fuel, where the ultimate consumer, including a distributor, takes more than 500 M. c. f. per day, except with respect to a rate schedule applicable to gas sold for resale to Lukens Steel Corporation. In addition, the companies propose a uniform heat content guarantee of 1,000 B. t. u. per cubic foot, whereas gas delivered to Washington Gas Light Company has had a heating value of approximately 1,100 B. t. u. per cubic foot. The potential change in heat content may result in additional increases in cost to Washington Gas Light Company.

On March 13, 1950, Washington Gas Light Company and Washington Gas Light Company of Maryland, Inc., filed protests with the Commission concerning the changes proposed by Atlantic Seaboard's tariff. The Public Utilities Commission of the District of Columbia by letter of March 10, 1950, stated that the tariff filed by Atlantic Seaboard "is a matter of grave concern to this Commission because, among other things, of the probable effect of such tariff upon the rates to consumers of natural gas within the District of Columbia." The Public Service Commission of West Virginia, by letters of March 10 and 31, 1950, stated that rates proposed by Atlantic Seaboard for West Virginia are not sufficiently lower than those proposed for Virginia and Maryland, and objected to the proposed restriction upon use of gas for boiler fuel insofar as it relates to West Virginia.

The tariffs and service agreements filed by Atlantic Seaboard and Virginia Gas are proposed to become effective as of May 1, 1950. The proposed changes in effective rate schedules, insofar as they effect increases in rates and charges, provide for changes in effective rate schedules which may be unjust, unreasonable, unduly discriminatory or preferential or otherwise unlawful. Insofar as said tariffs and service agreements effect reductions in charges and provide for beginning of firm service to Consolidated Gas Electrical Light and Power Company of Baltimore, said tariffs

and service agreements should be made effective as of May 1, 1950 and as so effective, investigated further to determine whether any aspects of the tariffs and service agreements hereby allowed to become effective, are unjust, unreasonable, unduly discriminatory or preferential.

The Commission finds:

(1) The proposed tariff and service agreement as applicable to Consolidated Gas Electric Light and Power Company of Baltimore filed as aforesaid by Atlantic Seaboard, satisfy the condition in Paragraph (E) of the Commission's order issued July 27, 1949, at Docket No. G-1175.

(2) Good cause exists for permitting the proposed tariffs and service agreements filed as aforesaid by Atlantic Seaboard and Virginia Gas, except as herein suspended, to become effective as of May 1, 1950.

(3) It is necessary and proper in the public interest and to aid in the enforcement of the provisions of the Natural Gas Act that the Commission enters upon a hearing pursuant to section 4 of the Natural Gas Act, concerning the lawfulness of Atlantic Seaboard's proposed FPC Gas Tariff Third Revised Volume No. 1 and the statements filed concurrently therewith pursuant to § 154.85 of the Commission's general rules and regulations insofar as said tariff and statements apply to Washington Gas Light Company, Washington Gas Light Company of Maryland, Inc., Maryland Counties Gas Company, and The Manufacturers Light and Heat Company and that the tariff and statements, insofar as they apply to said companies, be suspended as hereinafter provided and use thereof be deferred pending hearing and decision thereon.

(4) It is necessary and proper in the public interest and to aid in the enforcement of the provisions of the Natural Gas Act that an investigation be instituted by the Commission, on its own motion, concerning all rates, charges, services, or classifications, permitted to become effective or continued in effect by this order, and demanded, observed, charged or collected by Atlantic Seaboard and Virginia Gas for or in connection with transportation or sale of natural gas subject to the jurisdiction of the Commission, and any rule, regu-

lation, practice or contract affecting such rates, charges, services, or classifications.

The Commission orders:

(A) Except insofar as suspended by Paragraph (B) hereof, Atlantic Seaboard's and Virginia Gas's tariffs and service agreements, as described in Appendix A to this order, be and they hereby are allowed to become effective as of May 1, 1950.

(B) The operation of Atlantic Seaboard's proposed Rate Schedule CDS-1 contained in its proposed FPC Gas Tariff Third Revised Volume No. 1, insofar as it applies to the Washington Gas Light Company and to The Manufacturers Light and Heat Company, together with statements submitted by Atlantic Seaboard pursuant to § 154.85 of the Commission's general rules and regulations relating to the contract with Washington Gas Light Company, be and they hereby are suspended and use deferred until October 1, 1950, and until such further time thereafter as said Rate Schedule shall be made effective for sales to the two named customer companies in the manner prescribed by the Natural Gas Act. During such period of suspension, Atlantic Seaboard's presently effective Rate Schedule FPC No. 7, as supplemented (Washington Gas Light Company), and presently effective Rate Schedule X-4 (Manufacturers Light and Heat Company) shall remain in effect. The operation of Atlantic Seaboard's proposed Rate Schedule MLS-1 contained in its proposed FPC Gas Tariff Third Revised Volume No. 1, insofar as it applies to Maryland Counties Gas Company and to Washington Gas Light Company of Maryland, Inc., together with statements submitted by Atlantic Seaboard pursuant to § 154.85 of the Commission's general rules and regulations relating to the contracts with said two customer companies, be and they hereby are suspended and use deferred until October 1, 1950, and until such further time thereafter as said rate schedule shall be made effective for sale to the two named customer companies in the manner prescribed by the Natural Gas Act. During such period of suspension, Atlantic Seaboard's presently effective Rate Schedule FPC No. 5 (Maryland Counties Gas Company) and Rate Schedule FPC No. 2 (Washington Gas Light Company of Maryland) shall remain in effect.

(C) An investigation be and it hereby is instituted on the Commission's own motion for the purpose of enabling the Commission:

(i) To determine whether any rate, charge, service or classification demanded, observed, charged or collected by Atlantic Seaboard Corporation and Virginia Gas Transmission Company for or in connection with the transportation or sale of natural gas subject to the jurisdiction of the Commission or any rule, regulation, practice or contract affecting such rate, charge, service or classification, is unjust, unreasonable, unduly discriminatory or preferential.

(ii) If, after hearing, it shall find that any such rates, charges, services, classifications, rules, regulations, practices or contracts are unjust, unreasonable, unduly discriminatory or preferential, to determine and fix by appropriate order

or orders just, reasonable, non-discriminatory or non-preferential rates, charges, services, classifications, rules, regulations, practices or contracts to be thereafter observed and in force.

(D) Pursuant to the authority contained in sections 4 and 5 of the Natural Gas Act a public hearing be held upon a date to be fixed by further order of the Commission concerning the lawfulness of the rates, charges, classifications and the rules, regulations, practices, and

services contained in Atlantic Seaboard's and Virginia Gas' tariffs and contracts relating thereto.

(E) Interested State commissions may participate as provided by §§ 1.8 and 1.37 (f) of the Commission's rules of practice and procedure.

Date of issuance: April 28, 1950.

By the Commission.

[SEAL]

LEON M. FUQUAY,
Secretary.

APPENDIX A—IDENTIFICATION OF TARIFFS AND SERVICE AGREEMENTS FILED BY SEABOARD COMPANIES

ATLANTIC SEABOARD CORP.

Description	Instrument To Be Superseded
FPC Gas Tariff, 3d Rev., Vol. No. 1.	FPC Gas Schedules. FPC Gas Tariff, 2d Rev., Vol. No. 1. Rate Schedules FPC Nos. 2, 5, 7, 10. Service Agreement dated December 27, 1949 (providing for temporary interruptible service). Service Agreement dated September 13, 1949.
Service agreement dated Mar. 23, 1950, with Consolidated Gas, Electric Light & Power Co. of Baltimore.	
Service agreement dated Mar. 24, 1950, with Cumberland & Allegheny Gas Co.	
Preexisting contract statement—Agreement dated November 15, 1930, with Washington Gas Light Co. of Maryland, Inc. (designated: Rate Schedule FPC No. 2).	
Preexisting contract statement—Agreement dated September 10, 1931, with Maryland Counties Gas Co. (designated: Rate Schedule FPC No. 5).	
Preexisting contract statement—Agreement dated May 1, 1937, with Washington Gas Light Co. (designated: Rate Schedule FPC No. 7).	
Preexisting contract statement—Agreement dated July 20, 1933, with Manufacturers Light & Heat Company (designated: Rate Schedule FPC No. 10).	

VIRGINIA GAS TRANSMISSION CORP.

FPC Gas Tariff, 1st Rev., Vol. No. 1.	FPC Gas Schedules.
Service Agreement dated March 30, 1950, with Lynchburg Gas Co.	Preexisting contract dated April 17, 1946.
Service agreement dated March 28, 1950, with Virginia Gas Distribution Corp. (firm).	
Service agreement dated March 28, 1950, with Virginia Gas Distribution Corp. (West Virginia Pulp & Paper Co.).	
Service agreement dated March 28, 1950, with Virginia Gas Distribution Corp. (Strasburg Lime Co.).	Service agreement dated August 29, 1949.

[F. R. Doc. 50-3906; Filed, May 4, 1950; 8:45 a. m.]

[Docket No. G-1210]

ERIE GAS SERVICE CORP.

NOTICE OF AMENDED APPLICATION

MAY 1, 1950.

Take notice that Erie Gas Service Corporation (Applicant), a Pennsylvania corporation, of 100 Seneca Street, Oil City, Pennsylvania, filed on April 21, 1950, an amended application for a certificate of public convenience and necessity pursuant to section 7 (c) of the Natural Gas Act, authorizing the construction and operation of certain natural-gas transmission pipe line facilities hereinafter described.

Applicant proposes to construct approximately 46 miles of 10 $\frac{3}{4}$ -inch natural-gas transmission pipe line, extending from a proposed interconnection with Tennessee Gas Transmission Company's pipe line near Cochran, Pennsylvania, to a point near Austinburg, Ohio, and from the terminus of said

10 $\frac{3}{4}$ -inch pipe line to construct approximately 21.8 miles of 8 $\frac{3}{8}$ -inch pipe line to a point near Fairport, Ohio, and approximately 6.7 miles of 8 $\frac{3}{8}$ -inch pipe line to a point near Ashtabula, Ohio, together with measuring and regulating stations and appurtenant facilities. Such facilities will have an estimated daily delivery capacity of 26,000 M c. f.

The estimated cost of the facilities proposed to be constructed is \$1,520,000.

Protests or petitions to intervene should be filed with the Federal Power Commission, Washington, D. C., in accordance with the rules of practice and procedure (18 CFR 1.8 or 1.10) before the 19th day of May 1950. The amended application is on file with the Commission for public inspection.

[SEAL]

LEON M. FUQUAY,
Secretary.

[F. R. Doc. 50-3817; Filed, May 4, 1950; 8:47 a. m.]

[Docket No. G-1332]

MADISON UTILITY CORP.

ORDER FIXING DATE OF HEARING

APRIL 28, 1950.

On February 27, 1950, Madison Utilities Corporation (Applicant), an Indiana corporation with its principal place of business at Madison, Indiana, filed an application for a certificate of public convenience and necessity pursuant to section 7 of the Natural Gas Act, as amended, to construct and operate certain facilities, subject to the jurisdiction of the Commission, as are fully described in such application on file with the Commission and open to public inspection.

Applicant has requested that this application be heard under the shortened procedure provided for by § 1.32 (b) of the Commission's rules of practice and procedure; no request to be heard or protest has been filed subsequent to giving of due notice of the filing of the application, including publication in the FEDERAL REGISTER on March 17, 1950 (15 F. R. 1526-7).

The Commission finds: This proceeding is a proper one for disposition under the provisions of § 1.32 (b) of the Commission's rules of practice and procedure.

The Commission orders:

(A) Pursuant to the authority contained in and subject to the jurisdiction conferred upon the Federal Power Commission by sections 7 and 15 of the Natural Gas Act, as amended, and the Commission's rules of practice and procedure, a hearing be held on May 9, 1950, at 9:30 o'clock a. m., e. s. t., in the Hearing Room of the Federal Power Commission, 1800 Pennsylvania Avenue NW., Washington, D. C., concerning the matters involved and the issues presented by such application: *Provided, however*, That the Commission may, after a non-contested hearing, forthwith dispose of the proceeding pursuant to the provisions of § 1.32 (b) of the Commission's rules of practice and procedure.

(B) Interested State commissions may participate as provided by §§ 1.8 and 1.37 (f) of the said rules of practice and procedure.

Date of issuance: May 1, 1950.

By the Commission.

[SEAL] LEON M. FUQUAY,
Secretary.

[F. R. Doc. 50-3803; Filed, May 4, 1950;
8:45 a. m.]

[Docket No. G-1335]

CAROLINA NATURAL GAS CORP.

NOTICE OF AMENDED APPLICATION

APRIL 28, 1950.

Take notice that Carolina Natural Gas Corporation (Applicant), a Delaware corporation with its principal place of business at 701 Wilder Building, Charlotte, North Carolina, filed on April 24, 1950, an amended application for (1) a certificate of public convenience and

necessity pursuant to section 7 (c) of the Natural Gas Act, as amended, authorizing the construction and operation of certain natural-gas transmission pipe line facilities hereinafter described, and for (2) an order under section 7 (a) of the act directing Transcontinental Gas Pipe Line Corporation (Transcontinental), a natural-gas company subject to the jurisdiction of the Commission, to establish 9 physical connections of its transportation facilities with the facilities of and to sell natural gas to Applicant.

Applicant proposes to construct and operate approximately 375.1 miles of from 4½-inch to 12¾-inch pipe line, consisting of 11 separate laterals, having an aggregate design capacity of 140,000 M. c. f. per day, extending from 9 proposed interconnections with the facilities of Transcontinental to the various markets proposed to be served all in North and South Carolina. Applicant proposes to purchase natural gas from Transcontinental, to transport the gas through Applicant's proposed pipe lines to Asheville, Hickory, Raleigh, and Charlotte, North Carolina, and Greenwood and Greenville, South Carolina, and the various other communities sought to be served, and to sell it at wholesale to distributing companies which are now selling manufactured gas to those communities. Applicant also proposes to sell off-peak natural gas to various industrial consumers located on or near its lines. Applicant estimates that its annual demand will be 9,797,000 M. c. f. in the first year and 15,273,000 M. c. f. in the fifth year and that its peak day demand will be 30,000 M. c. f. in the first year and 65,000 M. c. f. in the fifth year.

The estimated over-all capital cost of Applicant's proposed facilities is approximately \$7,374,100. Applicant will submit a detailed plan of financing at the hearing.

Protests or petitions to intervene may be filed with the Federal Power Commission, Washington 25, D. C., in accordance with the rules of practice and procedure (18 CFR 1.8 or 1.10) before the 19th day of May 1950. The application is on file with the Commission for public inspection.

[SEAL] LEON M. FUQUAY,
Secretary.

[F. R. Doc. 50-3805; Filed, May 4, 1950;
8:45 a. m.]

[Docket No. G-1350]

EL PASO NATURAL GAS CO.

ORDER FIXING DATE OF HEARING

APRIL 28, 1950.

On March 29, 1950, El Paso Natural Gas Company (Applicant), a Delaware corporation having its principal place of business at El Paso, Texas, filed an application for a certificate of public convenience and necessity pursuant to section 7 of the Natural Gas Act, as amended, authorizing the construction and operation of certain natural-gas

facilities, subject to the jurisdiction of the Commission, all as more fully described in such application on file with the Commission and open to public inspection.

The Commission finds: This proceeding is a proper one for disposition under the provisions of § 1.32 (b) of the Commission's rules of practice and procedure, Applicant having requested that its application be heard under the shortened procedure provided by the aforesaid rule for non-contested proceedings, and no request to be heard, protest or petition having been filed subsequent to the giving of due notice of the filing of the application, including publication in the FEDERAL REGISTER on April 11, 1950 (15 F. R. 2048).

The Commission orders:

(A) Pursuant to the authority contained in and subject to the jurisdiction conferred upon the Federal Power Commission by sections 7 and 15 of the Natural Gas Act, as amended, a hearing be held on May 11, 1950 at 9:45 a. m. in the Hearing Room of the Federal Power Commission, 1800 Pennsylvania Avenue NW., Washington, D. C. concerning the matters involved and the issues presented by such application: *Provided, however*, That the Commission may, after a non-contested hearing, forthwith dispose of the proceeding pursuant to the provisions of § 1.32 (b) of the Commission's rules of practice and procedure.

(B) Interested State commissions may participate as provided by §§ 1.8 and 1.37 (f) of the said rules of practice and procedure.

Date of issuance: May 1, 1950.

By the Commission.

[SEAL] LEON M. FUQUAY,
Secretary.

[F. R. Doc. 50-3804; Filed, May 4, 1950;
8:45 a. m.]

[Docket No. G-1377]

EAST OHIO GAS CO.

NOTICE OF APPLICATION

MAY 1, 1950.

Take notice that The East Ohio Gas Company (Applicant), an Ohio corporation with office at Cleveland, Ohio, filed on April 18, 1950, an application for a certificate of public convenience and necessity pursuant to section 7 of the Natural Gas Act, as amended, authorizing the construction and operation of approximately 24 miles of 20-inch natural gas transmission pipe line connecting Applicant's existing Austintown Station, near Youngstown, Ohio, with the pipe-line facilities of Tennessee Gas Transmission Company authorized by the Commission in Docket No. G-962.

Applicant states that the proposed facilities are needed to provide additional supplies of natural gas which are required in order to meet increasing demands on Applicant's system. Applicant further states that the proposed facilities will be used to transport gas

from Tennessee Gas Transmission Company pursuant to an agreement that provides for deliveries of 35,000 M c. f. per day. Applicant will not render any new or additional service, directly or indirectly, from the proposed line.

The estimated total over-all capital cost of the proposed facilities is \$982,565, which will be financed from cash on hand.

Protests or petitions to intervene may be filed with the Federal Power Commission, Washington 25, D. C., in accordance with the rules of practice and procedure (18 CFR 1.8 or 1.10) on or before the 19th day of May 1950. The application is on file with the Commission for public inspection.

[SEAL] LEON M. FUQUAY,
Secretary.

[F. R. Doc. 50-3815; Filed, May 4, 1950;
8:47 a. m.]

[Docket No. G-1378]

EAST OHIO GAS CO.

NOTICE OF APPLICATION

MAY 1, 1950.

Take notice that The East Ohio Gas Company (Applicant), an Ohio corporation, with office at Cleveland, Ohio, filed on April 18, 1950, an application for a certificate of public convenience and necessity pursuant to section 7 of the Natural Gas Act, as amended, authorizing Applicant to construct and operate two 8 $\frac{1}{2}$ -inch pipe lines having a total length of 12.3 miles, a 940-horsepower compressor station, and an underground gas storage pool consisting of 13 wells in Columbiana County, Ohio.

Applicant states that the facilities proposed to be constructed are needed in order to increase Applicant's underground gas storage facilities to provide a larger supply of gas to meet peak demands upon its system. Applicant does not propose to render any new or additional service, directly or indirectly, from the proposed facilities. Applicant estimates that the maximum daily demand on its system during the 1950-1951 winter will be 954 Mmcft. and that its present facilities will only be able to deliver 744 Mmcft. The gas to be stored in the proposed underground pool will be purchased from Hope Natural Gas Company.

The estimated over-all capital cost of the proposed facilities is \$622,700, which will be financed from cash on hand.

Protests or petitions to intervene may be filed with the Federal Power Commission, Washington 25, D. C., in accordance with the rules of practice and procedure (18 CFR 1.8 or 1.10) on or before the 19th day of May 1950. The application is on file with the Commission for public inspection.

[SEAL] LEON M. FUQUAY,
Secretary.

[F. R. Doc. 50-3816; Filed, May 4, 1950;
8:47 a. m.]

INTERSTATE COMMERCE COMMISSION

[4th Sec. Application 25066]

VARIOUS COMMODITIES IN OFFICIAL TERRITORY

APPLICATION FOR RELIEF

MAY 2, 1950.

The Commission is in receipt of the above-entitled and numbered application for relief from the long-and-short-haul provision of section 4 (1) of the Interstate Commerce Act.

Filed by: C. W. Boin, Agent, for and on behalf of carriers parties to his tariff I. C. C. No. A-823 and other tariffs named in the application, pursuant to fourth-section order No. 9800.

Commodities involved: Various commodities. From and to points in official territory.

Grounds for relief: Circuitous routes.

Any interested person desiring the Commission to hold a hearing upon such application shall request the Commission in writing so to do within 15 days from the date of this notice. As provided by the general rules of practice of the Commission, Rule 73, persons other than applicants should fairly disclose their interest, and the position they intend to take at the hearing with respect to the application. Otherwise the Commission, in its discretion, may proceed to investigate and determine the matters involved in such application without further or formal hearing. If because of an emergency a grant of temporary relief is found to be necessary before the expiration of the 15-day period, a hearing, upon a request filed within that period, may be held subsequently.

By the Commission, Division 2.

[SEAL] W. P. BARTEL,
Secretary.

[F. R. Doc. 50-3810; Filed, May 4, 1950;
8:46 a. m.]

[4th Sec. Application 25067]

CITRUS FRUIT FROM FLORIDA TO LEXINGTON, KY.

APPLICATION FOR RELIEF

MAY 2, 1950.

The Commission is in receipt of the above-entitled and numbered application for relief from the long-and-short-haul provision of section 4 (1) of the Interstate Commerce Act.

Filed by: R. E. Boyle, Jr., Agent, for and on behalf of carriers parties to Agent C. A. Spaninger's tariff I. C. C. No. 642.

Commodities involved: Citrus fruit, carloads.

From: Points in Florida.

To: Lexington, Ky.

Grounds for relief: Circuitous routes.

Schedules filed containing proposed rates: C. A. Spaninger's tariff I. C. C. No. 642, Supplement 153.

Any interested person desiring the Commission to hold a hearing upon such application shall request the Commission

in writing so to do within 15 days from the date of this notice. As provided by the general rules of practice of the Commission, Rule 73, persons other than applicants should fairly disclose their interest, and the position they intend to take at the hearing with respect to the application. Otherwise the Commission, in its discretion, may proceed to investigate and determine the matters involved in such application without further or formal hearing. If because of an emergency a grant of temporary relief is found to be necessary before the expiration of the 15-day period, a hearing, upon a request filed within that period, may be held subsequently.

By the Commission, Division 2.

[SEAL] W. P. BARTEL,
Secretary.

[F. R. Doc. 50-3811; Filed, May 4, 1950;
8:46 a. m.]

[4th Sec. Application 25068]

METHANOL FROM MILITARY, KANS., TO VIRGINIA

APPLICATION FOR RELIEF

MAY 2, 1950.

The Commission is in receipt of the above-entitled and numbered application for relief from the long-and-short-haul provision of section 4 (1) of the Interstate Commerce Act.

Filed by: L. E. Kipp, Agent, for and on behalf of carriers parties to his tariff I. C. C. No. A-3589.

Commodities involved: Methanol and proprietary anti-freeze preparations, carloads.

From: Military, Kans.

To: Points in Virginia.

Grounds for relief: Circuitous routes. Schedules filed containing proposed rates: L. E. Kipp's tariff I. C. C. No. A-3589, Supplement 101.

Any interested person desiring the Commission to hold a hearing upon such application shall request the Commission in writing so to do within 15 days from the date of this notice. As provided by the general rules of practice of the Commission, Rule 73, persons other than applicants should fairly disclose their interest, and the position they intend to take at the hearing with respect to the application. Otherwise the Commission, in its discretion, may proceed to investigate and determine the matters involved in such application without further or formal hearing. If because of an emergency a grant of temporary relief is found to be necessary before the expiration of the 15-day period, a hearing, upon a request filed within that period, may be held subsequently.

By the Commission, Division 2.

[SEAL] W. P. BARTEL,
Secretary.

[F. R. Doc. 50-3812; Filed, May 4, 1950;
8:47 a. m.]

[4th Sec. Application 25069]

RUBBER TIRES FROM MIAMI, OKLA., TO
MEMPHIS, TENN.

APPLICATION FOR RELIEF

MAY 2, 1950.

The Commission is in receipt of the above-entitled and numbered application for relief from the long-and-short-haul provision of section 4 (1) of the Interstate Commerce Act.

Filed by: D. Q. Marsh, Agent, for and on behalf of carriers parties to his tariff I. C. C. No. 3708.

Commodities involved: Rubber tires, carloads.

From: Miami, Okla.

to: Memphis, Tenn.

Grounds for relief: Circuitous routes. Schedules filed containing proposed rates: D. Q. Marsh's tariff I. C. C. No. 3708, Supplement 249.

Any interested person desiring the Commission to hold a hearing upon such application shall request the Commission in writing so to do within 15 days from the date of this notice. As provided by the general rules of practice of the Commission, Rule 73, persons other than applicants should fairly disclose their interest, and the position they intend to take at the hearing with respect to the application. Otherwise the Commission, in its discretion, may proceed to investigate and determine the matters involved in such application without further or formal hearing. If because of an emergency a grant of temporary relief is found to be necessary before the expiration of the 15-day period, a hearing, upon a request filed within that period, may be held subsequently.

By the Commission, Division 2.

[SEAL] W. P. BARTEL,
Secretary.

[F. R. Doc. 50-3813; Filed, May 4, 1950;
8:47 a. m.]

[4th Sec. Application 25070]

FINE COAL FROM TENNESSEE TO
CHARLESTON, S. C.

APPLICATION FOR RELIEF

MAY 2, 1950.

The Commission is in receipt of the above-entitled and numbered application for relief from the long-and-short-haul provision of section 4 (1) of the Interstate Commerce Act.

Filed by: R. E. Boyle, Jr., Agent, for and on behalf of the Atlantic Coast Line Railroad Company and other carriers named in the application.

Commodities involved: Fine coal, carloads.

From: Mines in groups 1, 2, 3 and 4 on the Louisville and Nashville Railroad.

To: Charleston, S. C.

Grounds for relief: Circuitous routes. Any interested person desiring the Commission to hold a hearing upon such application shall request the Commission in writing so to do within 15 days from the date of this notice. As provided by the general rules of practice of the Commission, Rule 73, persons other than applicants should fairly disclose their

interest, and the position they intend to take at the hearing with respect to the application. Otherwise the Commission, in its discretion, may proceed to investigate and determine the matters involved in such application without further or formal hearing. If because of an emergency a grant of temporary relief is found to be necessary before the expiration of the 15-day period, a hearing, upon a request filed within that period, may be held subsequently.

By the Commission, Division 2.

[SEAL] W. P. BARTEL,
Secretary.

[F. R. Doc. 50-3814; Filed, May 4, 1950;
8:47 a. m.]

DEPARTMENT OF JUSTICE

Office of Alien Property

AUTHORITY: 40 Stat. 411, 55 Stat. 839, Pub. Laws 322, 671, 79th Cong., 60 Stat. 50, 925; 50 U. S. C. and Supp. App. 1, 616; E. O. 9193, July 6, 1942, 3 CFR, Cum. Supp., E. O. 9567, June 8, 1945, 3 CFR, 1945 Supp., E. O. 9788, Oct. 14, 1946, 11 F. R. 11981.

[Return Order 605]

LAURA BUONO ET AL.

Having considered the claim set forth below and having issued a determination allowing the claim, which is incorporated by reference herein and filed herewith,

It is ordered, That the claimed property, described below and in the determination, be returned, subject to any increase or decrease resulting from the administration thereof prior to return, and after adequate provision for taxes and conservatory expenses:

Claimant, Claim No., Notice of Intention to Return, Published January 27, 1950, and Property

Laura Buono, Battista Buono, Nicola Buono II, Angela Buono, Antonia Buono, Claim No. 35576, all residing in Gioia del Colle Bari, Italy (15 F. R. 476); to each claimant the sum of \$649.46 in the Treasury of the United States.

All right, title, interest and claim of any kind or character whatsoever of Laura Buono, Battista Buono, Nicola Buono II, Angela Buono and Antonia Buono and each of them in and to the estate of Margherita Buono, deceased.

Appropriate documents and papers effectuating this order will issue.

Executed at Washington, D. C., on April 28, 1950.

For the Attorney General.

[SEAL] HAROLD I. BAYNTON,
Acting Director,
Office of Alien Property.

[F. R. Doc. 50-3829; Filed, May 4, 1950;
8:48 a. m.]

JOHANNES EDWARDUS NAUTA

NOTICE OF INTENTION TO RETURN VESTED
PROPERTY

Pursuant to section 32 (f) of the Trading With the Enemy Act, as amended, notice is hereby given of intention to return, on or after 30 days from the

date of publication hereof, the following property located in Washington, D. C., including all royalties accrued thereunder and all damages and profits recoverable for past infringement thereof, after adequate provision for taxes and conservatory expenses:

Claimant, Claim No., and Property

Johannes Edwardus Nauta, Overveen (Municipality Bloemendaal), The Netherlands, Claim No. 41836; property described in Vesting Order No. 291 (7 F. R. 9834, November 26, 1942), relating to Patent Application Ser. No. 363,778 (now United States Letters Patent No. 2,345,063).

Executed at Washington, D. C., on May 1, 1950.

For the Attorney General.

[SEAL] HAROLD I. BAYNTON,
Acting Director,
Office of Alien Property.

[F. R. Doc. 50-3830; Filed, May 4, 1950;
8:48 a. m.]

HENRY MAGNUSSEN

NOTICE OF INTENTION TO RETURN VESTED
PROPERTY

Pursuant to section 32 (f) of the Trading With the Enemy Act, as amended, notice is hereby given of intention to return, on or after 30 days from the date of the publication hereof, the following property, subject to any increase or decrease resulting from the administration thereof prior to return, and after adequate provision for taxes and conservatory expenses:

Claimant, Claim No., Property, and Location

Henry Magnusson, Nomeland, Roknes, Norway, Claim No. 1824; \$200.07 in the Treasury of the United States.

Executed at Washington, D. C., on May 1, 1950.

For the Attorney General.

[SEAL] HAROLD I. BAYNTON,
Acting Director,
Office of Alien Property.

[F. R. Doc. 50-3831; Filed, May 4, 1950;
8:48 a. m.]

RENE ALFRED LEBOIME

NOTICE OF INTENTION TO RETURN VESTED
PROPERTY

Pursuant to section 32 (f) of the Trading With the Enemy Act, as amended, notice is hereby given of intention to return, on or after 30 days from the date of publication hereof, the following property located in Washington, D. C., including all royalties accrued thereunder and all damages and profits recoverable for past infringement thereof, after adequate provision for taxes and conservatory expenses:

Claimant, Claim No., and Property

Rene Alfred Leboime, Paris, France, Claim Nos. 13332 and 27709; an undivided one-half interest in and to property described in Vesting Order No. 293 (7 F. R. 9836, Nov. 26, 1942), relating to United States Patent Application Serial No. 382,146.

Property described in Vesting Order No. 293 relating to United States Patent Application Serial No. 318,782.

Executed at Washington, D. C., on May 1, 1950.

For the Attorney General.

[SEAL] HAROLD I. BAYNTON,
Acting Director,
Office of Alien Property.

[F. R. Doc. 50-3832; Filed, May 4, 1950;
8:48 a. m.]

**SOCIETE JACQUEAU BERJONNEAU ET
COMPAGNIE**

**NOTICE OF INTENTION TO RETURN VESTED
PROPERTY**

Pursuant to section 32 (f) of the Trading With the Enemy Act, as amended, notice is hereby given of intention to return, on or after 30 days from the date of publication hereof, the following property located in Washington, D. C., including all royalties accrued thereunder and all damages and profits recoverable for past infringement thereof, after adequate provision for taxes and conservatory expenses:

Claimant, Claim No., and Property

Societe Jacquaeu Berjonneau et Compagnie, Paris, France, Claim No. 13339; an undivided one-half interest in and to property described in Vesting Order No. 293 (7 F. R. 9836, Nov. 26, 1942), relating to United States Patent Application Serial No. 382,146.

Executed at Washington, D. C., on May 1, 1950.

For the Attorney General.

[SEAL] HAROLD I. BAYNTON,
Acting Director,
Office of Alien Property.

[F. R. Doc. 50-3833; Filed, May 4, 1950;
8:48 a. m.]

**SOCIETE DES AUTEURS, COMPOSITEURS ET
EDITEURS DE MUSIQUE**

**NOTICE OF INTENTION TO RETURN VESTED
PROPERTY**

Pursuant to section 32 (f) of the Trading With the Enemy Act, as amended, notice is hereby given of intention to return, on or after 30 days from the date of publication hereof, the following property located in Washington, D. C., including all royalties accrued thereunder and all damages and profits recoverable for past infringement thereof, after adequate provision for taxes and conservatory expenses:

Claimant, Claim No., and Property

Societe des Auteurs, Compositeurs et Editeurs de Musique, 10, Rue Chaptal, Paris 9^e, France, Claim No. 12100; \$153,954.68 in the Treasury of the United States.

All right, title, interest and claim of whatsoever kind or nature in and to every copyright, claim of copyright, license, agreement, privilege, power and every right of whatsoever nature, including but not limited to all monies and amounts, by way of royalties, share of profits or other emolument, and all causes of action accrued or to accrue relating to symphonic musical compositions and all other musical compositions held by La Societe des Auteurs, Compositeurs et Editeurs

No. 87—4

de Musique (SACEM) and/or each and every member thereof immediately prior to the vesting thereof by Vesting Order Nos. 2171 (8 F. R. 15618, Nov. 16, 1943) and 2097 (8 F. R. 16463, Dec. 7, 1943), except the works of George Edouard Goertermann, Carl Paez and Mr. Zumbsterg.

Executed at Washington, D. C., on May 1, 1950.

For the Attorney General.

[SEAL] HAROLD I. BAYNTON,
Acting Director,
Office of Alien Property.

[F. R. Doc. 50-3834; Filed, May 4, 1950;
8:49 a. m.]

BABETTE M. KAHN

**NOTICE OF INTENTION TO RETURN VESTED
PROPERTY**

Pursuant to section 32 (f) of the Trading With the Enemy Act, as amended, notice is hereby given of intention to return, on or after 30 days from the date of the publication hereof, the following property, subject to any increase or decrease resulting from the administration thereof prior to return, and after adequate provisions for taxes and conservatory expenses:

Claimant, Claim No., Property and Location

Babette M. Kahn, Louisville, Kentucky, Claim No. 41532; all right, title, interest and claim of any kind or character whatsoever of Cilly Marx and her legitimate descendants in and to the Trust created by the will of Henrietta Friend, also known as Henriette Friend, deceased.

Executed at Washington, D. C., on May 1, 1950.

For the Attorney General.

[SEAL] HAROLD I. BAYNTON,
Acting Director,
Office of Alien Property.

[F. R. Doc. 50-3835; Filed, May 4, 1950;
8:49 a. m.]

ROSETTA M. GUTHRIE

**NOTICE OF INTENTION TO RETURN VESTED
PROPERTY**

Pursuant to section 32 (f) of the Trading With the Enemy Act, as amended, notice is hereby given of intention to return, on or after 30 days from the date of the publication hereof, the following property, subject to any increase or decrease resulting from the administration thereof prior to return, and after adequate provision for taxes and conservatory expenses:

Claimant, Claim No., Property and Location

Rosetta M. Guthrie, Lahaska, Pennsylvania, Claim No. 45640; \$133.60 cash in the Treasury of the United States.

Executed at Washington, D. C., on May 1, 1950.

For the Attorney General.

[SEAL] HAROLD I. BAYNTON,
Acting Director,
Office of Alien Property.

[F. R. Doc. 50-3836; Filed, May 4, 1950;
8:49 a. m.]

EDITION CONTINENTAL

**NOTICE OF INTENTION TO RETURN VESTED
PROPERTY**

Pursuant to section 32 (f) of the Trading With the Enemy Act, as amended, notice is hereby given of intention to return, on or after 30 days from the date of publication hereof, the following property located in Washington, D. C., including all royalties accrued thereunder and all damages and profits recoverable for past infringement thereof, after adequate provision for taxes and conservatory expenses:

Claimant, Claim No., and Property

Edition Continental, Londynska 39, Prague XII, Czechoslovakia, Claim No. 37437; property to the extent owned by the claimant immediately prior to the vesting thereof by Vesting Order No. 4034 (9 F. R. 13781, Nov. 17, 1944) relating to musical compositions listed under the name of Edition Continental in the vesting order, including royalties pertaining thereto in the amount of \$67.48.

Executed at Washington, D. C., on May 1, 1950.

For the Attorney General.

[SEAL] HAROLD I. BAYNTON,
Acting Director,
Office of Alien Property.

[F. R. Doc. 50-3837; Filed, May 4, 1950;
8:49 a. m.]

[Vesting Order 14545]

OTTO VOELCHNER

In re: Certificate owned by Otto Voelchner. F-28-30670-D-1.

Under the authority of the Trading With the Enemy Act, as amended, Executive Order 9193, as amended, and Executive Order 9788, and pursuant to law, after investigation, it is hereby found:

1. That Otto Voelchner, on or since the effective date of Executive Order 8389, as amended, and on or since December 11, 1941, has been a resident of Germany and is a national of a designated enemy country (Germany);

2. That the property described as follows: Any and all rights in, to and under one (1) Mortgage Participation Certificate of the New York Title and Mortgage Company, for Guaranteed Mortgage Series F-1, in liquidation, c/o Trustees of Series F-1, 39 Broadway, New York 6, New York, said mortgage certificate numbered 11213, of the original principal amount of \$103.98, registered in the name of Otto Voelchner, together with all rights under a plan of reorganization for Series F-1 Mortgage Investments, approved by an order of the Supreme Court of the State of New York made on the 8th day of April 1935, including any and all distributions of income and principal due or to become due,

is property within the United States owned or controlled by, payable or deliverable to, held on behalf of or on account of, or owing to, or which is evidence of ownership or control by, Otto Voelchner, the aforesaid national

of a designated enemy country (Germany);

and it is hereby determined:

3. That to the extent that the person named in subparagraph 1 hereof is not within a designated enemy country, the national interest of the United States requires that such person be treated as a national of a designated enemy country (Germany).

All determinations and all action required by law, including appropriate consultation and certification, having been made and taken, and it being deemed necessary in the national interest,

There is hereby vested in the Attorney General of the United States the property described above, to be held, used, administered, liquidated, sold or otherwise dealt with in the interest of and for the benefit of the United States.

The terms "national" and "designated enemy country" as used herein shall have the meanings prescribed in section 10 of Executive Order 9193, as amended.

Executed at Washington, D. C., on April 7, 1950.

For the Attorney General.

[SEAL] HAROLD I. BAYNTON,
Acting Director,
Office of Alien Property.

[F. R. Doc. 50-3827; Filed, May 4, 1950;
8:48 a. m.]

[Vesting Order 14570]

ERNEST ANDRE MAGNIFICO

In re: Trust u/w of Ernest Andre Magnifico, deceased. File No. D-28-12385; E. T. sec. 16601.

Under the authority of the Trading With the Enemy Act, as amended, Executive Order 9193, as amended, and Executive Order 9788, and pursuant to law, after investigation, it is hereby found:

1. That Mrs. Elsbeth Michaelis and Hilde Maria Elisabeth Bodenstein, whose last known address is Germany, are residents of Germany and nationals of a designated enemy country (Germany);

2. That all right, title, interest and claim of any kind or character whatsoever of the persons identified in subparagraph 1 hereof, and each of them, in and to the trust created under the will of Ernest Andre Magnifico, deceased, is property payable or deliverable to, or claimed by, the aforesaid nationals of a designated enemy country (Germany);

3. That such property is in the process of administration by City Bank Farmers Trust Company, as trustee, acting under the judicial supervision of the Surrogate's Court of New York County, New York;

and it is hereby determined:

4. That to the extent that the persons identified in subparagraph 1 hereof are not within a designated enemy country, the national interest of the United States requires that such persons be treated as nationals of a designated enemy country (Germany).

All determinations and all action required by law, including appropriate consultation and certification, having been made and taken, and, it being deemed necessary in the national interest,

There is hereby vested in the Attorney General of the United States the property described above, to be held, used, administered, liquidated, sold or otherwise dealt with in the interest of and for the benefit of the United States.

The terms "national" and "designated enemy country" as used herein shall have the meanings prescribed in section 10 of Executive Order 9193, as amended.

Executed at Washington, D. C., on April 21, 1950.

For the Attorney General.

[SEAL] HAROLD I. BAYNTON,
Acting Director,
Office of Alien Property.

[F. R. Doc. 50-3828; Filed, May 4, 1950;
8:48 a. m.]